



GRIEF

18 YEARS
AS A
MIDDLE WESTERN
COUNTRY BANKER

1910—1928



Professy of W. J. A. Cichas

William C. Cichas, Regm

W. J. A. Cichas



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Sincerely yours,
Leo Z. Schmitt

G R I E F

18

YEARS

AS A

MIDDLE WESTERN
COUNTRY BANKER

DEDICATED TO THE BANKING
FRATERNITY
OF THE STATE OF IOWA

BY

LEO F. SCHMITT

BELLEVUE, IOWA.

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By

LEO F. SCHMITT

Bellevue, Iowa

FOREWORD

The writer of this book, dedicated to the Banking Fraternity of the State of Iowa, is at present engaged in assisting the State Banking Department, in checking over the assets of a closed bank, a bank of which the writer had charge from January 1st 1920 to the date of its closing, February 14th 1928.

The writer's only purpose in writing this book is to pass on to the bankers and to posterity, his experiences, in the hope that any information contained in the book, may be of some benefit.

The writer feels the book will be widely read, and for that reason vividly portrays in word pictures, experiences invaluable to anyone connected with the banking business, whether in the capacity of an officer or a director. The book is not made up of the disgruntled ravings of a man sour on the world, but contains a plain statement of facts, worded in the language commonly used by the writer; language that now and then may be a bit pungent or offensive; but you can be assured, forceful.

The writer shall call an Ace an Ace; shall endeavor to do no one any harm, nor injustice; much less slander them, and makes no statements not backed by facts.

Leo F. Schmitt, Author.

CHAPTER I.

How well the writer recalls one bright September morn, in 1910, when his father Theo. Schmitt, of Holy Cross, Iowa, drove overland, driving Kate and Queen, to Farley, a distance of 14 miles south, to have his son, this writer, accept a position with the Farley State Bank of that town, as Assistant-Cashier.

The day was bright; the weather balmy; the roads such as they usually were in 1910, before the days of the Highway Commission and Bond Issues. Everything seemed bright and ideal for this son to make something of himself in the Banking interests of the State.

Having finished school at Dyersville, Iowa, sometime previous, with a general average of 97 plus, I was looked upon as one of the coming future greats of the community. Many of the mothers of my native town wished their son could have gone away to school as I had; could have obtained a little better education than the Eighth Grade provided at home; an education, while more or less limited, yet of sufficient proportions to enable one to get along better in the world.

Entering upon my duties at the bank about noon

of my first day, the Cashier of the Bank, Mr. F. S. Ferring put me to work, counting and wrapping \$70.00 worth of pennies, contained in several Horse-Shoe Chewing Tobacco boxes, a long drawn out job. For some reason or other the pennies seemed elusive; would slip out from under; but after wrapping several dollars worth of them I got unto the knack of it, and completed the job along about 4 o'clock that evening.

I visited with the Cashier about one hour or so until time to close. Business wasn't very rushing at that time (*the finance party hadn't started yet*), and along about 6 o'clock Mr. Ferring handed me a key and said "Kid, now you're a banker, here's your key". I took it, ofcourse, feeling that some day I might be a power of finance. He told me I could get around about 7:30 o'clock in the morning; sweep out, dust off the counters, and that by that time he would be down and open the vault so we'd be ready for business about 8 o'clock.

My father had made arrangements for me to board and room with the Cashier and his family, so at five that first night, Frank and I marched down the streets of the little village, both feeling like Napoleons of Finance. Frank was quite a large man, a real honest-to-godness He-man and I took considerable pride walking down the plank sidewalks with him.

The following morning I arose when called a 7 bells; ate a very hearty breakfast; walked four

blocks to the bank, opened the door and started displaying considerable energy as a janitor. The work was new to me; my mother with her 6 boys and 2 girls had always done that kind of work around our house and I wasn't used to do it. However, I started the work and it seemed the more I swept, the more dust I raised, and raising more dust, the dusting job got heavier. But, after about a half hour of raising dust and trying to again remove it Frank appeared on the scene. We didn't have any sweeping compound (*the Board thought it was too expensive*). After working on the job a half hour tho' it did appear as tho' someone had been doin a little cleaning around the place. Frank unlocked the vault door, and there we were, with the Farley State open for business, ready to meet any and all.

Along about 9:30 a customer came in while Frank had slipped out the back door (*the town wasn't modern at that time*) and I marched to the first window (*we had two*) and asked Mr. Customer what I could do for him. "Who the 'ell are you-" was his reply. "Why, I'm the Assistant-Cashier" I said. "Where are you from"? he asked. "I'm from Holy Cross" was my reply. Just then Frank came in the back door and introduced me formally to the customer, John Callahan, who operated a saloon in the town. After an exchange of courtesies and the acceptance of deposit, he invited me to come down and see him some time, advising me where the

saloon was located, and saying that he had known my Dad very well, in fact had known him for years. I told him that since I was a total abstainer he could not look for any patronage from me, but that neither could Charlie Connell, who operated a like establishment across the street. However, both of them must have had a good many customers, for almost daily a deposit containing many sticky dollars was placed with us. I've often thought since the days of the Volstead Act, how profitable such a business would be at this time.

After Mr. Callahan's departure from the bank, Frank put me to brushing up the wood work of the bank, tidying things up in general. To keep busy until noon I started washing the windows, after which the place looked very inviting. That afternoon about 4:30 Frank suggested we should also scrub the floor, which we proceeded to do with a vim. I got some boiling water from the hotel near by, (*we had a hotel in 1910*) flowed the water all over the floor, and with two old brooms Frank and I dashed and vigorously swept the water all around the floor, having first added considerable Lewis Lye, until the floor looked almost immaculate. We swept the water out the back door and left for home. I was rather tired that night, a bit more so, than I felt I should have, but I'd earned my first dollar as a Banker, my salary having been placed at \$30.00 per month.

The following morning was a repetition of the

first, altho minus the dust (*you see, we'd scrubbed out the night before*) but in cleaning up the place a little I noticed the base of our golden oak fixtures a bit whiter than it should be and pointed it out to Frank when he came, who proffered the following "You used to dammuch Lewis Lye last night, that's what's the matter with that wood-work". It made me feel awfully bad ofcourse, so in a few minutes I slipped into the drug store, operated by Al Brueckner, next door, and borrowed his bottle of furniture polish with which I attempted to cover up the wood work a little, and really did succeed in making it look much better than it appeared in the morning. The balance of the furniture polish bottle was returned, ofcourse. We always returned everything we borrowed. They don't do that so much anymore, do they? Even with money?

That Job out of the way Frank put me to trying my hand at the Individual Ledger, which job was duck soup for me, for I possessed a faculty of handling figures quite fast and Frank marveled at the short time it took me to do the work. Checking Accounts during that age, WERE checking accounts, and not lousy accounts, such as many of us have on our books at this time. Fifty Cents and Dollar checks were unheard of, and we bankers can take credit for educating the public to write checks of such small amounts ourselves, a practice that is nothing but a dambill of expense (*additional*

expense, I should say) to the bank, for who of us hasn't advertised in the past

ONE DOLLAR OPENS A CHECKING ACCOUNT HERE.

It's wrong boys and you know it. If I started a bank today, no account of less than a hundred dollars would be accepted and every Tom, Dick and Harry wouldn't have an account, to eat up your stationery postage, take much of your book-keepers time, etc, etc, etc. Nuisances should be eliminated from banks as quickly as possible and lousy accounts such as some men, women and kids have, would not appear on your books.

CHAPTER II.

Things went on about as usual, for the next two weeks, with nothing to mar the monotonous routine, until one night Frank said he was going away for a few days; that he had not had a vacation since organizing the bank in 1906, and that if anything serious developed during his absence, I should get in touch with the President Mr. J. P. Sanner.

I voiced very strenuous objections to his going; said I was going to quit, if I had to run this bank alone for a few days. But he was so sure of me being able to handle it, that he insisted upon going. After seeing his sincerity and his confidence in me I said I would try it at least.

So the next morning, arising bright and early this writer marched down to the bank, opened up as usual, done a little cleaning up, and prepared to face the music. Nothing evenful happened that day; ordinary deposits and withdrawals were made; everybody felt good (*people were human those days*) I spent much time visiting, getting acquainted with the customers; stood ready to do any reasonable favor for them and glad to do it.

The second day was much like the first, excepting that; when balancing the cash that night, I

seemed to be short \$1728.00 and check over my work as much as I would I could not seem to make the Tellers Blotter balance. I looked, looked and looked, checked, checked and checked until I was almost blue in the face, but couldn't find it. I tried that evening to get Frank by telephone at Dubuque (*Yes, we did have a telephone*) but none of his relatives or friends seemed to know his whereabouts, or where I might reach him. You see, I was in a bad way. A new Kid on the job; \$1728.00 short and being more or less hotheaded, I began to get tough. Anyway, I couldn't locate Frank, so proceeded to go down to the general store operated by the President of the Bank and laid my troubles before him.

He smiled at me and finally laughed at my excitement, until I got so damhot, I offered him my keys with these words: "Here, you run your own lousy bank, I'm through". When he saw my evident display of anger, he said he would come up in the morning and help me to find it. The following morning he did show up; started looking at the blotter and young as I was it didn't take me long to decide he didn't know more about a Teller's Blotter than a monkey does about a Bible. I went on with my work, ignoring him, for I couldn't quite forget him laughing at me the evening before. He even went so far as to look thru the waste-basket (*an old tin bucket*). Had he known that I inspected every little piece of scrap paper the night before,

he would not have bothered to look. But I took a certain amount of satisfaction in watching him look for something I knew he couldn't find in that old pail.

Shortly he decided he had better try and get in touch with Frank, when I told him, he'd better have Frank out here tonight, or get another man to run the bank, because I was through, and I didn't mean may be. He returned to the bank about 4:30 and coaxed me for 30 minutes to stay at least until Frank returned. I staid a few days and one afternoon Frank called me from Dubuque (*no doubt some of his friends had told him I had been trying to locate him*). I told him of my shortage, giving him the amount, and advised that I could not locate it. His reply was "Ha! Ha!" \$1728.00 short, why you're cuckoo". Now then, I knew I wasn't cuckoo, I was only short a whole lot of money, and it made me hot to have him hand me the rinykaboo, but he said he would be out on the Clipper, at 5 o'clock that evening, and would meet me at the bank. Sure enough, he came, and if ever I was glad to see a friend, it was to see Frank walk in that evening. He checked over the blotter the date of the shortage, and check as he might, the shortage was there. He checked the cash for each succeeding day; balanced each succeeding blotter up to and including that date, and everything seemed to be alright, but still where was my \$1728.00? When he was putting the currency back into the safe that night, after check-

ing everything, one pile of \$20.00 bills slipped to one side of the floor, and when I stooped to pick it up for him, I noticed a small slip of paper, lying next to the wall on the floor, picked it up, and Lo! and behold, here was our \$1728.00 and Ye! Gods, how happy I was. It was a check signed by Neale O'Connel for cattle, deposited by a customer the day of the shortage, and in putting the cash away to go to dinner, it must have slipped off to one side, unnoticed by myself. Ever since that day and up to the present time, I have always listed every check individually on the deposit-ticket, for isn't that why the printers rule them?

The old Boston Ledger was my morning prayer book; I worked on it diligently every morning until about 10 o'clock. I got so I loved the book; could remember the balances of the morning, all thru the day; would re-write the names of the accounts every month and took pride in keeping it neat and clean, and my ability to get the work out fast and accurately.

All of my spare time I spent snooping around the bank; going thru the files, which were made up of lumber something along the line of what many garages have for their parts, those 4by6 inch built-in about 14 inches. You bankers know the kind. I aimed to learn where everything was, and did, until I had almost a mental filing cabinet in my mind. That sort, was practically the only filing cabinet, the only system, the country banker had

at that time, with the result that many times you were kept busy looking for this or that, knowing positively where you had put it so you would know just where to lay your hands on it, and then when you wanted it, be unable to locate it. We'd upset most everything in the vault to find it. I recall Frank and I had a devil of a time finding the Deed to the Bank itself. We upset most everything trying to find it, and finally did. You know, it would have been terrible not to have the Deed to the bank premises in your possession.

CHAPTER III.

Things went along swimmingly until Christmas Eve 1910, when about four o'clock Alfred Dolin came bursting into the bank, presenting a \$50.00 Confederate Bill, handing it to Frank and asking for real United States money in exchange. Frank looked the Bill over and told him it was no good and that he wouldn't give him a dime for it. "Well" Dolin said "I got it at this bank and you ought to give me regular money for it". Frank told him he did not get it here, and Dolin said "I got it from that Kid over there". My Lord! I looked around from my back desk and walked up to the front window, alongside of Frank, looked at the bill and told both of them I had never seen one like it in my life. Dolin however, was insisting that he got it from me. Frank told him to come back the morning after Christmas and he would go over the matter with him, that he was in a hurry to go to Bankston to his mother for Christmas; Dolin left at that and Frank and I started for Bankston, from where I drove his horse and buggy to Holy Cross to spend Christmas with my folks. I didn't think anyone would have such a blue Christmas as I had that year, but little did I know what was in

store for me in years to come; that many a Christmas was to be just as blue. The day following Christmas Mr. Dolin (*I shouldn't call him Mister*) called at the bank and he and Frank went into conference in our little front office (*Oh! yes, we had a little private office too*). After considerable discussion Frank said he would pay him the money and I told Frank he would be a damn fool if he did, and about that time I was ready to knock the 'ell out of Dolin, but Frank wouldn't stand for it. He'd probably alicked me at that. Finally Frank told him that if he would sign an affidavit before a Notary Public he would give him the money, but he would have to swear as to the date or approximate date he got the money. (*People had more respect for an affidavit those days than now*). At any rate, about that time Dolin broke down crying, and said he did not get it here, but got it from a fellow by the name of Streif, but since Streif was no good financially, he thought he could get away with it at the bank and lay the blame unto me. Say man, was I hot. I offered to lick him again, and when I saw Frank wouldn't stand for it, I sure did want to clean up on him. Boy! I felt like I could lick the world about that time, but good old Frank was between us and could have thrown us both out, had he wished to do so. He finally told Dolin to get out and never show up around this bank again, and then when Dolin didn't move right quick, Frank came very near throwing him out.

March 1st 1911 opened up with more farmers in the town than I had ever seen in Farley. I got my first conception of what March 1st held in store for the average country banker. Frank and I were kept busy from 8 o'clock in the morning until six that evening, and after supper spent three hours trying to find a balance. We finally made the grade within a dollar and sixteen cents, whereupon Frank said "Who the 'ell cares for a dollar and sixteen cents away, we're going to throw the stuff into the vault and go home". That night one of his kiddies developed cramps and between Frank and I we got him through the night alright. The limit of our endurance had been about reached when the doctor appeared on the scene, who took care of the little lad nicely. The following day we were about as busy as the first and having spent the greater portion of the night up, neither of us was disposed to be very agreeable.

Spring came and with it the baseball season and being more or less of a fan and having a little ability as a player, I hooked on with the Deyersville team playing third base on the team, getting \$5.00 per game, with a little additional expense money. The four games per month, we played Sundays only, netted me two-thirds of my regular salary at the bank, which additional money looked big to me for some of the lassies began to attract my eye, which as you boys know, takes a little funds now and then.

Along about August of that year vacation time came and after going into conference with Frank, we agreed that rather than my taking a regular vacation I would be allowed to play some week-day games with the team at various County Fairs around the territory, without having my wages docked on account thereof. The summer went by, rather uneventful. Fall came along with its resultant colorful leaves; weinie roasts were in order, and bashful as I was, I soon learned that girls were not so dangerous as they looked, and soon began to shine up to one now and then. Occasionally I would take one of them home from a dance, and wait around at the gate for a while, afraid to follow her into the house, altho at times I did feel that my so doing would be agreeable all around. But, being just a little scared of them, I would trot home quickly. I recall vividly one evening when Frank was out of town I took advantage of his absence and staid with a young lady friend of mine a little longer than usual, when upon returning home I was met at the door by the Cashier's wife, with the statement that if Frank were home I would not stay out as late as I did; that I was taking advantage of his being gone. There was no question about that.

During the Fall of 1911 Father Slattery, the Parish Priest, decided I should pay some Pew Rent, since I was patron of his Church, coming into the

bank one morning, telling me of his idea. He handed me a slip purporting to be a receipt for pew rent. I couldn't read a word of it, and asked him about how much he thought I ought to pay. He stated that about \$15.00 per year would suit him alright. I told him that such amount was more than the Cashier was paying and I could ill afford to pay as much as he, whereupon he agreed to accept \$10.00, which amount still was staggering to me, after which we decided that about \$2.00 a year would be alright. I paid him the two bucks directly, handing back his receipt to have him change it, and he said "Just keep it, what's the difference?" He was a lovable old soul; would march down the aisle on Sunday morning; walk right on thru, out of Church, visit with the boys, at times as long as 20 minutes, keeping the balance of the congregation waiting inside, after which he would say "Come on boys, we're ready to start". The gang would follow after, when Mass would start promptly. Sometimes a latecomer would be asked to come right down in front and make himself at home. Many times I would listen to "You will be called upon to render an account of your stewardship" and we bankers know what that means, for between the Assessor, the Income Tax Man, State Officers, Banking Departments, etc, etc, an account of your stewardship became more or less offensive, and you bankers that belong to the Federal Reserve System certainly know what that means, for they

certainly call you to account for this, for that,
until you get moodish and feel like telling them to
go —— where green cord-wood isn't being burned.

CHAPTER IV.

Christmas of 1911 came and went, as is generally the case. Hog returns had been coming in good; we were flush with money, when Frank thought the advisable thing to do was to buy a little Commercial Paper for our excess reserve, so we might make a little more money, and promptly proceeded to take the matter up with some of our correspondents. I don't want to overlook the fact that at the regular meeting of our Board of Directors in January the boys decided that to allow me to meet the requirements of life they would raise my salary, and passed a resolution as follows: "Moved and seconded that we pay the Assistant-Cashier the sum of \$40.00 per month for the year 1911. Carried".

Shortly Frank heard from the correspondents, and sure, they would be very glad to be of assistance in furnishing him with any amount of Commercial Paper he might wish. They sent a list of available paper with their letter and so we two Napoleons of Finance proceeded to dissect the list thoroly, and picked out three pieces, among them a note of a brick and tile company located in the State of Iowa. The main reason we picked that in preference to

much other paper was, that they were located in Iowa; the Hawkeye State, and you fellows know as well as I, that not many years later the Hawks did get in their work.

The particular paper chosen was to mature in 1912, for since our deposits had been on a continuous up-grade, we could well afford to select paper running for a little longer period of time.

Spring and summer of 1912 saw us busy; things were going along nicely; our Undivided Profits Account was gradually crawling up; Frank and I were happy. By the way I overlooked the fact that the previous December salaries had not been charged up until after the first of the year, so our report to the State Department would show a better Undivided Account.

It was during June of that year that a fellow calling himself a State Bank Examiner dropped in, making the second examination I participated in. He immediately proceeded to count the Cash. It balanced. Wasn't that fine? He took the bunch of notes, added them up; checked over other matters and visited with the Cashier. He called himself a bank examiner but should have gone by the title of Checker, for in substance that was all he was. For didn't he ask me to run the time certificates of deposit for him? Why? So he could visit with the Cashier and rest? He needed it. Hadn't he counted the cash and run the notes? Hadn't he worked diligently at that, seeing the notes were all

signed? Hadn't he asked the Cashier whether this fellow or that was good, and hadn't the Cashier said that he was? Hadn't he told us that tomorrow he would be at Earlville, but that he thought it shouldn't take him long there? He'd worked hard and was entitled to a rest and I assumed that's why he asked me to run the time certificates for him. My proof of the time certificates was correct. He complimented me upon my ability. Frank and I thought he was a 'ell of a nice fellow, but didn't realize what a punk of an examiner he was. Those days the banker didn't know what a hard-boiled, real honest-to-goodness Examiner was, but they came later.

I believe it was that same Fall that a certain note of \$25.00 matured. The Cashier had spent considerable time writing the maker that he wished to have the note paid IN FULL, without the maker paying anything, not even any attention. After spending about 50 cents in postage on a good many letters (*I wrote them, being the stenographer, and could take explosive dictation*) Frank took the matter up with the Board of Directors at one of their regular meetings, advising them on non-payment of the note, and the Board of Directors after due and careful consideration suggested to the Cashier that the note be Charged Off. "I hate like the devil to do that boys, for this bank never lost a dollar, and I'm going to stay with the ship and collect that money" replied Frank. After that came

more letters and a little more cussing. Frank and I mourned over that matter for two months, and finally in desperation Frank charged the note to Profit and Loss Account. Frank and I were a long time forgetting it.

Just about that time also a transient called at the bank, and stated he absolutely had to get to Dubuque that afternoon, a Saturday, but that he needed \$10.00 to get there, having spent all of his funds at Cascade, from where he rode to Farley on the Stage Coach that afternoon. He was a fine looking fellow and Frank and I both felt sorry for him, but, we wouldn't cash a \$10.00 check for an absolute stranger, you bet, we wouldn't. Whereupon our friend said he would be glad to leave his watch for security for a ten dollar loan, and that upon his return to Farley the following Monday morning he would redeem the watch. He showed the watch, a Waltham, considered a high grade watch, but still we wouldn't give him the ten spot. He offered to take the watch to the jeweler, allow the Cashier to accompany him, and ask the Jeweler's opinion about the value thereof. We'd had about ten minutes of sport, so in justice to him, Frank agreed to accompany him to the Jewelers, and this is in substance the conversation that followed:

Stranger: "What's this watch worth, Colonel?"

Tinker: "Well, thats hard to say; but I'd think about \$35.00, that's a swell watch."

Stranger: "Would you recommend to this gentleman (*meaning Frank*) that he loan me \$10.00 on it?"

Tinker: "I, certainly would Frank, that's an elegant watch".

Whereupon Frank and Mr. Stranger return to the bank. We gave him the \$10.00, took the watch; our friend appreciated the courtesy, very much, ofcourse, and said he would be back on the morning train Monday. Monday came and went, but no stranger showed up. Tuesday came and no stranger. Frank said he thought there must be something funny about that Guy, and walked to the safe where the watch had been placed the Saturday previous, and brought the watch out to the work room. You see, we didn't want to take any chances on having anything happen to so expensive a watch, and for that reason took the precaution to place in the safe. Frank and I agreed it was a mighty swell watch and hoped the stranger would not return with the ten bucks, so we could keep it, so promptly it was returned to the Burglar Proof Safe (*Yes it was Burglar Proof, but two of them could have carried it off*).

Months went by until one day we decided we'd look at that little jem we'd placed in a clean little cloth bag in the safe, and upon opening the bag we stared at one another, for Lo! and behold, wasn't that darn thing pretty black? Frank and I agreed it must have been the dampness in the safe so I

proceeded to wipe the tarnish off, but it just wouldn't come off. The darn watch was almost coal-black. So down to the Tinker's goes Frank "Here's that damwatch, give me \$10.00 for it and you can have it". The Tinker looked at the watch, seemed surprised, and said "Why, Frank I wouldn't give you ten dollars for that thing, I wouldn't give you more than a dollar at the most". "Why, you said it was worth \$35.00 and I'm willing to sell it to you cheap" replied Frank. "Worth \$35.00 'ell" said the Tinker "I wouldn't tell anybody that about that thing" said Tinker. There he was calling it a thing, when previously, some months prior, he had called it an elegant watch. Upon inspection it was found to be a "Waltham" instead of the "Waltham" the stranger had shown. No doubt upon returning to the bank the watch had been slipped. I'm NOT going to tell what the Cashier said when he returned from Tinkers.

A short time later the piece of Commercial paper we had purchased the winter previous, signed by the Brick and Tile Company came due, but for some reason they did not see fit to pay it when due. When advices of it's non-payment came, Frank thought the best thing to do was to go out and see what could be done about the matter. He promptly called a meeting of the Board of Directors who agreed Frank was right, and they passed a resolution authorizing Frank to make the trip, agreeing to refund his railroad fare upon his return. Frank

went. He's one of those clever fellows who usually gets what he goes out after. He returned in a few days, telling me he had made a deal whereby they were to ship tile to us in payment of the note, until the note would be finally paid IN FULL. For some months later tile were shipped, disposed of by Frank, until practically all of the Company obligation had been paid. The last load to arrive was very faulty and you should have heard Frank rave about 'that son-of-a-gun' for shipping inferior tile. I know that many of the other creditors did not get much 'on the dollar' and here we were, practically out whole and kicking about it. We just didn't appreciate how lucky we were at the time. We hadn't learned much about the Loss and Charge-off business. Those days banking was a pleasure.

CHAPTER V.

That fall and winter we again had a nice increase in deposits, with business going on normally. Sort of So-So.

Nineteen Hundred and Thirteen with its tranquility in business was good to us. We prospered; our Undivided Profit Account kept mounting gradually; my salary had been raised to \$50.00 per month the previous January; the Cashier was being paid \$150.00. Yes sir, we showed a fine statement; we felt we had it all over the other bank. The baseball season was a success; the players were all pals. Between Everett Cook, Billie Ferring and Flick Hittenmiller we had a very pleasant summer socially. Along about that time I decided I should like to own a Camera and take a few pictures of the girls, the scenery and this or that. Ofcourse all of the crowd wished to have one of the pictures; sure I was glad to make them up, doing my own developing, and would furnish one to each of the boys and girls. Would I charge for them? I couldn't very well; they were all friends of mine, the cost per picture was small; I worked in the bank and was supposed to have a lot of money (*a misconception*) and gladly furnished the pictures gratis. It was a

very expensive past time for me. Right now I recall a few years later when many of the banks thruout the State advertised:

**"A FINE CAMERA WITH EACH SAVINGS
ACCOUNT OF \$10.00 OR MORE"**

You bankers who have ever made use of a Camera know that if there is any one way in which to teach the young how to SPEND their money, it's to encourage the use of a Camera, and yet many of you gave a Camera with Each New Savings Account of \$1.00 Or More. After the Kid got the Camera every dime of his or her money was spent in the use of it. They couldn't help but spend it; didn't the banker furnish the Camera cheap, so couldn't they afford to stand the rest of the expense? Yes the REST of the expense? There was nothing to the Camera but EXPENSE.

It was during this year that considerable Real Estate was exchanged. Considerable activity was shown; the War had started in Europe. One cold morning, in walks Ben Toomis, asking me to make a contract for him, covering the purchase of a farm southeast of town. I did. He returned the next day, wanted another contract drawn, in which he sold the same farm on an advance of \$15.00 an acre. Ha! Ha! what do you think of that for speculation? Ben made a lot of money on the deal. Some days later a similar occurence took place. Ben was buying

the good farms and selling them to folks in the immediate vicinity at a nice increase in price. And I got a nice box of cigars for every contract I drew for Ben. Couldn't John Jones have purchased that farm just as cheap from the original owner as had Ben? Ofcourse he could, but John Jones just sat around and didn't buy. Reminds the writer somewhat of the story told many times but worth repetition.

A man came home leading three dogs. "What in the world are you going to do with those three dogs Jim" said the good wife. "Why, I'm going to use them to go hunting with," replied Jim, which he promptly proceeded to do. He led them out into the woods, carried his gun, and noted that two of the dogs were very active, hopping around at least noise, and one of them just sat back and howled all the time. Upon his return to the house he told the wife he would call this one "Grocer" that one "Banker" and this one "Farmer". "How did you happen to pick such odd names for the dogs, Jim" said the wife. "Well, I'll tell you" he replied "the first two could rush, be active, apparently out for business, while the latter just sat on his behind and howled all the time".

Who among us will ever forget 1914, with its European War days, everyone in this country talking war, until folks hardly knew what else to talk about; some insisting we would be dragged into it, and some No. About that time someone discovered

the income tax, excise tax, excess profit tax, corporation tax, and what-not kind of a tax. The man who done the inventing should have a monument, erected to his honor by the Government, for who, among the banking fraternity has not contributed toward it, either in money or time in helping the customers making up their reports; having those reports come back from time to time with the statement they were all wrong, and then have the customer come to your bank and feel you didn't know much about it after all, when all the time you knew everything about Income Tax. I'M right, what say?

I believe it was during that year that a representative of the Burroughs Posting Machine Company called at the bank and attempted to sell Frank a Posting Machine. Both of us looking the machine over very carefully, but Frank decided we didn't have enough checking accounts to justify purchasing a machine, but one day Frank countered with the statement that anytime he could post those checks and deposits as fast as I could on the Boston Ledger, he'd buy a machine. This same proposition was made every time the salesman came, with the result that we did not purchase a machine. All the posting being done by myself on the old Boston until leaving the bank in 1916. I would very much have liked to operate one of them, but they were too expensive, for the build-up of the Undivided Profit Account was more important than speed.

Many of you fellows who have used that form of bank ledger know that with reasonable ability you can eat up a lot of posting in one hour.

At this time the writer recalls the little oil lamp, lighted every night, with the chimney most always clean; pointing out the chimney to the girls of the town as an example of cleanliness, and what a good housekeeper could point to with pride. You see, I was getting just a little interested in house-keeping. Every night regularly, I would drop down to the bank and light the little lamp for the night. The light used in our daily work was one of those large Standard Oil Lamps, with a metal base and circular wick, one that needed trimming very often, and smoked much of the time. I would have liked to have the bank purchase one of the new gas lamps, the kind you generated with alcohol, but after the Board of Directors gave the lamp matter due consideration, they decided not to buy the lamp. They were too expensive. Cost six bucks, and Frank and I continued to plod along with the old.

I never knew why, but now believe it was not purchased in the interest of the future generation, for isn't alcohol the present popular flapper throat-wash- and no doubt the Board wanted to assist in its conservation for a future date.

Sometime later tho' we did buy one of the lamps, lit it the first evening and wasn't our little bank lit up as bright as day? I'll say it was. We were as proud of that light as we were of our bank.

It was during 1914 that I boarded with Ewen's, the same Tinker previously mentioned, where I learned many of the ins and outs of the Restaurant business, and at this day I do not wonder at the successes of the Childs, the Thompsons, and the Raklios and many others. Some of the traveling men coming to town ate their dinner (*now called lunch*) at the Tinker's. I learned many lessons in publicity from my little table in the Southwest Corner, for didn't the waiter, none other than Tinker, the former Jeweler, ask after each diner had about finished his meal "Pie"? "Yes, what kind have you?" "Apple, raisin, mince, custard, lemon, apricot and pumpkin". "Bring me some apricot" replied the customer and didn't the waiter go clear back to the 2 by 4 kitchen and return with the words "we are jut out of apricot and didn't the diner say "Well, bring me some apple" and didn't the waiter bring it forthwith, knowing all during the conversation that apple pie was the only kind in the house?

Oh! yes, boys, many a time I listened to that line, and thanked goodness that the banking business was different, and had I had a reasonable amount of common sense I would have gone into that business, and avoided the many years of grief that were to follow in my line. I dare say, there isn't one banker in a hundred in the middle west, who would enter the banking business again, had he to do it over. And wasn't it a fact those days that

most every mother was more or less envious of a banker, and hoped and prayed her son would grow up to be a banker? For didn't the folks at my home town many times tell me the same thing? Wasn't it nice to have bankers hours, working from nine in the morning, an hour off for dinner, and than until four in the afternoon?

Ah! yes, it WAS a job to be envied. You and I know it since developed into a 'ell of a job. Ye Gods! If the general public had not lost their confidence, the Job still wouldn't be so bad, but when that's shot, you might just as well clean up. I don't want to do any reminiscencing now. There's is going to be a good deal of that later thru the book. As stated in my foreword the story is not made up of the raving of a disgruntled banker, but a plain statement of facts, and I believe that the public as well as the banking fraternity can gather much valuable information herefrom.

The Fall of 1914 saw me safely imbedded in the bonds of matrimony. One particular little lassie in the town made such an impression on me that I was successful, after much persuasion, to induce her to live with me as a wife. We promptly set up housekeeping in a nine room house, one block from the bank, paying \$9.00 per month for it.

Where can you rent a first class nine room home for that money today? At this writing I am looking for just such a house. After settling down to the peaceful life of a benedict, I arranged to study

law, taking a Correspondence Course, and the School sending out the work, seemed to take a particular interest in me, on account, they said, of the excellent showing made every examination, and after about 16 months insisted I take final examination, assuring me I would pass the Iowa bar.

I have seen so many lawyers since that time, that there is no question in my mind that I knew more at that time, than some of them who are practicing now, with a lawyer shingle stuck out in front of the place, when as a matter of fact it should read "Shyster". I have the very highest regard for the legal talent; number dozens of them among my intimate friends, but do know one or two, whom the above sign positively would portray.

At the same time I read every bankers magazine that come to our desk and I made a sincere effort to learn the banking business thoroly. Studying the habits and customs of the boys across the street at the other bank, in the hope that I might advance from the \$60.00 per month I was drawing at that time to a better position, altho after marrying the boys raised the pay to \$75.00 feeling that the saying "Two can live as cheap as one", would not hold good in my case, for with my ravenous appetite groceries cost real money.

I guess I studied the other banks a little to much, for I watched them during the day, seeing that they did not open before we did, nor close later than we did. We entered into an agreemnet with

them that we would close in the future at 4:30 which agreement lasted about one week, when one evening I saw a customer enter their bank about 5 bells.

The next day I trotted across the street and had it out with their Cashier and told him finally, in no uncertain terms, what I could do to him physically, if he would step out from around the counter.

After that we got along much better. We watched their published statements closely; compared them with ours and prided ourselves in passing them up, sort of like a pay car does a tramp..

You know, I'd quit eating ham and eggs and apple pie, having the good wife to cook three squares for me. About that time a customer called, one Tommy Chonnell, who got a little owley about nothing at all, I promptly proceeded to throw him out physically, and accomplished my purpose. That was fight Number One. That was a way back in 1915. You see, already you had to be a fighter in the banking business.

During 1916 Jim Wilson installed a Moving Picture Machine at Farley. The town turned out en masse. Everybody enjoyed going, watching the reels tear about 15 times of an evening and yet you'd stick around and watch the Show. You'd go home disgusted and wish you'd stayed home and played tiddle-winks. But weren't we a Metropolitan little town, and weren't we glad we had a Moving Picture Thee-a-ter? when about all you saw

was a lot of Wild West, with it's cow-boys, cow-girls, and ponies. You bet, everybody went to the show. You see, the saloons in Iowa had gone out of business, and people had to have some place to spend their money.

After about a year of married life I felt I wasn't getting as close to Rockefeller as I had hoped a few years previous, and asked the boys for a raise, stating I felt I should be getting \$100.00 a month. They said they felt the same way about it, but at the next meeting of the Board no such resolution was passed. One of them advised me a day later that the boys felt the Undivided Profit Account should be bolstered up a little higher before an increase to such a large amount would be justified. The next Board meeting came and again I took the matter up with them.

You see, I was a persistent cuss, I left the meeting feeling the raise would come. In writing up the minutes the following day I noticed nothing had been done about it, whereupon I talked the matter over with the Cashier who felt also I should have that salary, saying "I know you're worth it Kid (*he always called me that*) but you know how tight the Board is. I'll talk to them myself tho' and know they'll pay it."

He did. Again they met. And again they felt they would make the raise the first of coming year. My persistency didn't get me there, so I wired the Business Service Company at Minneapolis about a

position; furnished them with plenty of recommendation; and four days later got a wire from the Browns Valley State Bank, Browns Valley, Minnesota, to come there for an interview, and in the event the interview would not be satisfactory they would refund my Railroad fare. In justice to Frank I told him of the wire, when he assured me they would surely pay me what I asked before they'd let me go. I told him there would be no use, that I was going to Browns Valley in two days, for that interview, and go I did.

Mr. Paul, President of the bank, met me at the train, we drove to the bank, and after about 30 minutes, he decided I should go to work in the morning; that he and Mrs. Paul were leaving for the Cities immediately and that he was in a bit of a hurry. I told him it would be impossible for me to go to work immediately; that I had a family; had a lot of checking accounts that needed balancing, and that I wouldn't think of leaving Frank on such short notice as that. He was quite insistent tho' and so was I. We finally compromised on two weeks.

I returned home immediately, balancing all the checking accounts, so I could feel I had left them in good shape. The next two weeks this boy was plenty busy. The two weeks passed by hurriedly. The day of my departure came. I was offered most every inducement to stay; I could have the pay I asked for; the Cashier offered to give me his Insurance business; the Directors insisted, but hadn't

I told J.L. Paul I would be there, and wouldn't I stay with my promise?

I'm carrying an excellent gold watch (*not a Walt-han either*) all inscribed, as a token of esteem from the bank I first became associated with, a token I love; one that nothing could buy; a token that recalls many happy, pleasant days, spent with old Frank.

The day of my departure came; many of the merchants were at the depot. Frank also. As he walked over to shake hands with me, bidding me goodbye, large tears came to his eyes; he turned on his heel, and walked around the depot without even shaking hands.

Upon my arrival at the Valley, here was a letter, one of the finest I had ever read; a letter written to me by old Frank himself; a letter I have treasured highly; a letter voicing appreciation and love with every good wish added, and you believe me, I've thought of the contents of that letter many a time, having the very highest regard for old Frank, who I consider absolutely the best banker of my entire acquaintanceship.

Upon my arrival at the Valley I purchased a 5 room bungalow, a beautiful little home, just right for friend wife, the boy Bob and I.

A Mrs. Towie lived in the bungalow under a monthly rental plan, and refused to vacate the premises. A few days later I took the Deed, already recorded, and showed it to her and yet she refused

to leave. I explained how I'd purchased the property and all that, but to no avail. Finally in desperation I told her in plain ordinary English what I proposed doing. The next noon I was stopped at the office of a man who had a shingle on the outside "Attorney" who immediately began to berate me severely, telling me they had what was known as a Bastile in their town to take care of such fellows as me. I looked him over good, and decided he was one of those old fossilized old cocks who passed the bar when the bar didn't mean much more than a saloon bar, but did tell him that in the event his cuents paraphernalia wasn't out of the place by tomorrow noon, I'd throw the whole dam cheese out into the street, and that if he came down and attempted to interfere, he's be tossed right out with the paraphernalia.

The lady moved the next morning, and the Cashier of the Browns Valley State Bank moved in.

CHAPTER VI.

Many months were spent in getting acquainted with the folks of the community; fine folks, possessing that fine Western Democratic spirit.

My evenings were mostly spent in the bank, looking over and getting acquainted with the various credit lines, and by the end of 30 days I could name alphabetically every borrower, and the approximate amount he owed our institution. At the end of my first four months the President of the bank handed me \$100.00 with the statement he felt he owed me that, and that in the future I was to charge up \$125.00 per month for myself. The close of our fiscal year February 1st I was ordered to charge up an additional \$25.00 per month for myself.

Why, I was doing fine. The officers of the institution were congenial; we were happy, the banking business was good. The fall and winter passed rather uneventful. The wintry blasts would blow around the little bungalow, the Chinook winds of the Northwest appeared every few days, but with the hard-coal burner glowing brightly, some Bankers magazine to read, and with my stenchy pipe, I was sittin' pretty.

The spring of 1917 came early; farmers were all out getting in their crop of wheat; diversified farming was not followed to any great extent at that time; the European War became a World War of April that year; everybody was again talking war, for well they had reason to now, for weren't we into the tick of it now ourselves? Young and old gave it serious consideration; some were downcast, others glad we joined hands with the Allies in the hope that with our assistance the war would soon be brought to an end.

Directly the banks were asked, would they assist in the sale of bonds, for wouldn't money as well as men be required? And wouldn't the banks be willing to lend their every assistance in bringing funds to the Government? Why, ofcourse they would. The first issue of June 1917 didn't mean much to the public. The investment institutions of the country were expected to absorb the greater portion of that first issue of bonds; altho every banker was asked to get out and sell a few to help educate the public. What a mistake it was for us bankers to go out and educate them for haven't they been out buying bonds ever since, instead of leaving their funds in your bank to assist the local community in its own upbuilding? When the agricultural crash came in Iowa, you men know where surplus funds were sent.

I went out and tried to sell, in June 1917, real honest to pat good, United States Government

Bonds. I took the little Ford (*they didn't build them big like now*) and drove Northeast into a territory of mostly Yankees and Swedes (*I wouldn't dare go Northwest, for I knew they wouldn't want to buy bonds to fight Germany, for they told me so*).

A terrible wind arose that first afternoon and the bank's little Ford couldn't buck the stiff wind, so on account of lack of power (*like every other old Ford*) I pulled to one side of the road until the wind would subside. A farmer cultivating corn drove up to the road, rested his horses and came over to me. I sold him a \$50.00 bond, after about 2 hours of explaining and agreed to take as part payment a little brown mare, which seemed to have its tongue about severed from eating wild barley. Two weeks later I delivered and so did he. I had the local Vet take care of the little mare, dig a lot of stuff out of her mouth and about two months later sold her for \$65.00. My first day of selling United States Government Bonds paid me quite well at that. Hustle as I would I did not seem able to sell many of the bonds, so rather than run around the country soliciting, we bought the whole darn allotment. (*Yes, allotments were in order already*) and carried them among the assets of our bank, and why not? Couldn't we take the interest received on United States Government Bonds, and deduct such amount from our net income, for income tax purposes. Why sure, we thought we could, until a few years later when the Revenue man checked

your last years return, you found you were all wet, and were compelled to pay an additional tax and a penalty as well. Many a hot letter was exchanged between the writer and a Revenue Office, with the result that mine was the last one to go thru, for we never heard anymore about it.

From that time up to and including the date of the Armistice we were kept busy trying to sell bonds; asking our depositors to withdraw their money and buy bonds; help feed the boys over there; and help feed the ship-builders as well, and now and then incurring the everlasting enmity of the customer until you hardly knew what to do with yourself, and you felt like telling the boys at Washington to goto.

Didn't you keep a record of this purchase, of this installment payment and that, adding a lot of red tape and accounting to your already large amount of work, all for the Government? Weren't we glad to do that and weren't you? Ofcourse we were, little dreaming that our campaign of bond selling would lead up to in after years.

In spite of urging people to take their money and buy bonds, our deposits steadily mounted leaving their total of \$265.000.00 in 1916 and amounting to about half a million in 1919.

However, none of us figured on the day of reckoning. We did not stop to think that the money so spent for bonds was being taken out of circulation, locally, and that as soon as funds were again needed

the public would use their capital already in the banks, allowing their bond holdings to stand, until when a few years later some of the banks thruout the agricultural sections began to crack, the dear public felt they were secure with their bonds, and used every dollar of the funds, they had in the bank, bleeding them virtually to death, but leaving their money in bonds, for wasn't it safer there than in any bank? So they felt. You all know the result. When Sherman said "War is hell" he said a mouthful, and while it was hard, yes very hard, on the parents of the good boys who went across and harder yet on the boys themselves, yet the banker suffered here at home as well, and has continued to suffer in the agricultural sections.

During the war I took time, in the face of the large amount of clerical work we had to do, to write the boys over there, and was given credit for many of them for passing more news of interest to them, than the local paper, the editor of which reprinted a letter written by one of the boys over there, stating that he had had short-arm inspection that morning. The Editor, a Veteran of the Spanish-American War, reprinted it, giving most of the Community a good laugh.

The summer of 1918 saw an evangelist come to our peaceful Village, calling himself Aldrich. He called at the bank one nice warm morning and opened an account. Seemed a very pleasant fellow, and advised he expected to have a mighty fine

account before leaving town. I told him that the Churches of the town were very active and that I didn't believe he would do so well here. To which he replied "If I don't take \$1500.00 out of this town, I'll be badly fooled". I wished him luck, of-course and said I hoped he could make it \$2500.00.

The first night the meeting opened under a large tent, shipped in for the purpose. Feeling that a little revivaling mightn't do me any harm, I decided to attend the meeting. I'd been a regular Church goer but felt a little insertion of more Christianity couldn't hurt me much more, so invited a friend to accompany me. For two hours we listened to the biggest blood and thunder oration I'd ever heard. As an orator, he was there. As an acrobat he was there twice over. Again the second night I attended. The Call was made, and up walks a fellow to be converted, who'd had a shipment of books expressed in sometime previous, a shipment that leaked a little. Yet, he was converted, carrying his pamphlets around under his arm. The following morning one of the little boys of the town walked across the street to Herman Burnett's place with a pail for water. Herman saw the boy and asked "What are you doing, carrying water for the elephants?" Two minutes following the return of the boy the revivalist was on the job and dared Herman out into the street to tell him the same thing. Guess Herman felt the man meant what he said, for he did NOT go into the street.

That evening a meeting was held in the square one block up the street. Poor old Pat came in for his share of the abuse. Rave and lambast was the gospel. I don't know the Chapter, but old Pat didn't care. The Revivalist said, "I've been accused of saying I was going to take \$1500.00 out of this town with me, I'm going to take all the vice out with me and not \$1500.00, but a darn side more than that." There he was swearing himself. It took the town about a week to settle down to the peaceful little community it was. I found out later that it didn't require a Revivalist in some towns to stir up a mess. In some places just a common ordinary fry can do that, and he usually isn't an Orator nor an Acrobat either.

The Commercial Club, while not active excepting to raise its membership took a very active part in seeing the boys off to War, and in welcoming them back to the front. Well do I remember the little Brass Band we had of some 18 pieces, when one by one they would go into the service, until nothing was left of our little band, but a drummer, one cornet player, and two trombone players. The scene enacted when the last contingent left the Valley for battle, was one that this writer shall never forget. Being present at all of those events, and noting the dwindling of the little band, made one wonder what War was all about.

I was elected Camp Clerk of the M. W. A. and blessed with a lot of rotten luck, in trying to collect

dues, and in desperation ousted almost half the camp, many of them ready to go to war. It was a desperate move on my part, but one that brought dues in regularly after that. The local Camp would absorb the dues of the boys in the service, and the local Camp had plenty tough going for some time.

Help was hard to get, competent help, I should have said. One after another of our young men would go into the service, necessitating employing another. Once I hired an old maid school-teacher apparently a smart girl, about 35 years of age, having taught the Deestrick School some 10 or 12 years. At least, I reckoned I had a book-keeper, one who would not have to go to War; one who would stay with us, and she did for some months until shortly after the signing of the Armistice.

Very positively do I recall the children marching up the street to the music of what was left of the local band, thru slush, rain and sleet, the day the Armistice was first falsely reported, with she and I standing at the front window of the bank watching the Parade of school children, wending their way by the bank, down our Broadway, when she up and said "Aint it going to be wonderful if some of those children don't catch Ammonia?" "Catch what", I asked. "Ammonia" she repeated. Ye Gods! and she a school ma'am for ten years. Sometime previous I had her explaining the difference between a cantaloupe and a mushmellon. Oh, boy! it was good. Anyway, she was just a fair book-keeper, if I would

catch her error in proving out her work. For some reason she never could quite savvy the proof of a posting machine. The overdrafts got her all bawled up as she said. The truth was, I don't believe she knew what an overdraft meant. I tied the can to her that winter.

It was during that War period that many of us bankers were called upon to act as Four Minute Men. I was one. I learned how to address a crowd fairly well. Sure, we were glad to do anything possible to help. Giving you just a little more work. Land knows, we had enough, but I guess we were gluttons for work. Everything was rosy and we didn't mind the work. You know, we didn't have to get in there and actually work, like we later did. The real work was still in cards.

Neither will you forget the upward trend taken by wheat, grains of all kinds, hogs and cattle, everything went sky high. The farmer was making a lot of money; he felt his oats; he bought a new Flivver, and sometimes bigger than that; wasn't he making a lot of money, and wasn't he entitled to spend his own money? More money than the banker knew what to do with was brought into the country, necessitating to purchase of Outside Paper. A lot of you bankers have heard the expression of "Outside Paper" before. Every banker bought outside paper, for wasn't he paying a lot of interest to the depositors, and needed to keep his money working? We bought it. The Examiner would come along,

pat you on the back, and tell you you-re a good banker to keep your funds working like you did. We didn't realize at the time that this Outside Paper was going to be overdone shortly, and that just about that shortly, the examiner might also be thinking differently, and start raising Cain about it.

Last year he complimented you for keeping your funds working; this year he marked them up "Collect". After he's gone you use your judgment about that little thing, do you? If you know the maker to be good "Well that's alright, he'll pay it, if you know he isn't good, you don't need to be told so again, when all the time you worry and know it isn't good, and know more about the line, in and out, and all around, than does any transient. But then, they must earn their money. If they couldn't pay compliments, they'd criticise. However, let me add right here, that those boys have also been educated, the same as you and I; that the boys in that line of work know their groceries now; that the Banking Departments of the various Agricultural States have been brought to a much higher plane of efficiency; that the spirit of co-operation manifested by them the last few years makes it possible to co-operate instead of antagonizing.

CHAPTER VII.

The winter of 1918 and 1919 saw us with oodles of money but our Scotch President felt a day of reckoning might come, and we'd better hang on to a nice reserve, and the bank continued along that line up to this time. Never a promotion note found its way into our bank. Much as this Scotchman liked to bush 'em, he couldn't quite conclude that the buying of stock in enterprises away from your own home would ever be profitable. He confined himself to his own real estate and town property, which he had owned for years, something he could watch with his own eyes, and something that actually was SOMETHING and not a lot of blue sky as many of us later learned. His son Bill and I however, were not quite so conservative, and stepped up and bought a little, yes, just a little. It kept Bill and I busy operating our cars, altho' both of us laid aside a little every month. I did buy a few shares of stock in the Friend Motor Co., pictured as a coming second Ford enterprises, just two shares.

It fell by the wayside very soon however, and it didn't take me long after that to turn down those high-pressure birds. We were immune, and so was the other banker in our town, and the stock sales-

man didn't do much around that town. A white collared slicker dropped into town however, about that time and slipped a few shares of Pam Motor Co. over on the boys. The boys were going to get rich quick; paid something like \$15.00 a share and it surely was going to go to \$10.000.00 a share in less than ten years. Why shouldn't every Minnesotan and Northwestern man buy his car right here in Minnesota, instead of patronizing the East; why not keep this money right here in Minnesota; build up our own State and let the east take care of itself? If the people would do that, and there was no question but they would, for didn't they live in Minnesota and wasn't every resident of the State true to his own State?

It developed later on that instead of the purchasers being Gophers they were Suckers. I'm a little ahead of my story (*they were just mild suckers, the day of the real sucker was yet to come*). A few of the high pressure boys were out ahead of the Hatchery, the main office of which was at Des Moines. Many things were hatched down there, in 1918 already spreading out its octopus tentacles.

By June 1919 I wished to take a little vacation, driving from the Valley on June 28th 1919 for Farley to visit the folks back home, as well as many of my friends at Farley and vicinity. The two day trip was uneventful. We arrived at Farley on June 30th and found a deserted Village. Everyone was at East Dubuque, for it was the last day

saloons were allowed to operate (*legally*) thruout the United States. You see, prior to that time, Government had gotten everyone's money in the way of selling them Liberty Bonds, so what was the use of having any more saloons? so Volstead arranged to close them up until they got some more.

Still being a total abstainer and having no desire to go to East Dubuque I decided to lay around in the shade until evening: get a good night's sleep and then mozey around the town, looking for some of my old friends. After laying around a while, I decided to drive to East Dubuque anyway, which I did, leaving the wife and Bob at her mother's home. Being late it was mighty hard to get a place to park: I must have parked half a mile out of town and walked back. I don't know how many saloons they had, but I do know the town was full of them. The first I entered contained a few of my friends; we traveled around and caught up with a few more of the boys, many of them almost unconscious, and made the town. 'I took a drink; tasted like the devil; took another a little later it wasn't quite so bad; about an hour later I took another; tasted better. You know, my regular sense of taste wasn't there anymore. My tongue wasn't used to being contaminated with anything but good food and clear water. That night the town was treated quite rough. The gang, not ours, got wild. They commenced to break the town jail. They asked

“What’s the use of having anymore jails with the saloons out of business?”

They run part of the town fire apparatus into the Mississippi River. They wouldn’t need that either after the country was dry. Little did they stop to think that the boot-legger, previously unknown, would be on the job, and that the days of the jail were NOT over with. For it’s a fact that the Reformatories and Pens are more crowded today than in the days of the saloons! I’m not for them, but isn’t it a fact? Ask any Warden of any of our Penal Institutions. I have personal acquaintanceship with a few of them, and my contention is simply a verification of their statement.

We drove to Farley that evening and the next 24 days were spent in visiting our friends, and well do I recall the many pleasant visits we had. The people of the town and community were wonderful, everyone glad to see us, welcoming us back with almost open arms. Parties were the order of the day; one after another, until I was glad it was over so I could return to my work at Browns Valley.

However, while on this vacation at Farley some of the Directors of the Bellevue State Bank made a trip to see me, and wished to engage me as the Cashier of their bank at Bellevue. For many years previous some of their Board of Directors had known me personally, for in 1915, about April 25th, I went to Bellevue and helped them get started in their new bank, organized by Mr. N. J. Faring.

At that time I spent about ten days assisting in the opening of new accounts, purchasing additional equipment, and helping to get things generally going.

When the Directors heard of my presence in Farley they made the trip, requesting an interview with me, with a view to employing me, for the reason that their present Cashier had become associated with a Finance Company in Des Moines, which Company I shall call the Guaranty Mortgage Company, in the capacity of Vice-President. I had quite a lengthy interview with men on that day and could hardly decide whether to accept or not. I took into consideration the fact that I had a very good salary; got an annual bonus of no small proportions, and could not make the decision at that time, advising their Board I would take the matter under consideration and advise them at a later date.

So friend wife, Bob and I left for the Valley in a few days.

CHAPTER VIII.

It was while on this vacation that the land boom in Iowa, gained impetus, June 1919. People lost all sense of values; paid most any kind of a price for farms; almost breaking their necks to purchase a piece of land before it was all gone. Most every man was spending his time running around the country looking over this farm or that; buying this one for \$140.00 per acre, and selling his contract a few days later on a basis of \$175.00 an acre, and in many cases more; this fellow would contract to pay \$200.00 per acre, paying an initial payment in the form of a promisory note to be due, without interest, on the coming March 1st 1920, when the settlement would be made. He forthwith proceeded to try and interest another party in the purchase which was hardly necessary, for men came to him asked him how much profit would he take on his contract?

Ofcourse, he would sell out at an advance of \$25.00 an acre. They would promptly proceed to the bank and ask the Cashier to make up the contract for them, which he gladly did. The latter purchaser would sit and pray that he would be fortunate to find another buyer at an advance of

another \$25.00 an acre, which he did in many cases, bringing the settlement price of that particular farm to \$275.00 an acre from an original purchase price of \$140.00 an acre. Oh!, you bet your life, everybody was making money. Everybody was happy, excepting the poor owner who originally sold for \$140.00 an acre. He kicked himself for selling so rotten cheap, and hollered his head off for every having made the deal.

The more he thought about it, the madder he got, until he decided he wasn't getting enough out of the whole deal, so he decided he would go out and buy another farm for himself, and make some money too. He learned that the land he thought he could buy for \$150.00 an acre had suddenly, almost over night as it were, gone up to \$200.00 and in many cases more than that. He'd heard of so much money being made by everybody dabbling in land, that he wanted to make some of it himself, so what was there to do but buy the farm for \$200.00 an acre, which he did, signing a contract with the owner, at the bank (*Oh! yes, the banker still was drawing the contracts*) giving his note for \$1000.00, without interest, to be due March 1st 1920 when the settlement was to be made.

That's the way matters continued thruout the agricultural sections until the pyramiding of prices almost made men nuts. The banker sat at his desk, watched the entire proceedings, and commenced berating himself, for working for this or that in-

stitution at a measely salary, when everybody else was making money hand over fist, until he too became obsessed with the idea of making some easy money, and promptly went out and looked at a few of the farms himself. In some cases he bought; made a quick shuffle and sat back prepared to take his profit out of the deal when the papers would be exchanged on the March 1st following.

Matters continued along those lines for most of the summer, and for some reason people soon forgot there was such a date as March 1st coming. It came tho'.

I returned to Browns Valley, glad to get back to work; telling the boys about the pyramiding of land values in Iowa, but our little Scotch President sat back and listened to it all, wondering what was going to happen and wondering what it was all about. You see, he owned quite a few farms in his territory, and while glad to see such an event, yet seemed far sighted enough, to lay off himself. He didn't go out and buy any land at that time. You see, he was making his little profit every year, realized he couldn't make all the money in the world and was willing let the other fellow have his share too.

After being back on the job about ten days I received a letter with reference to the interview I had had at Farley sometime previous, urging me to accept the position. After talking the matter over thoroly with friend wife, we decided to move.

The following evening I walked to Mr. Paul's

home and advised him of the telegram I had received that day with reference to another position; that the Board had interviewed me while on my vacation, and seemed to be anxious to have me accept the position. Probably I should call it a Job, for that's what it developed into. Mr. Paul's immediate reply was that while I was on my vacation he had a hunch that something of the kind would develop, and for that reason was sorry he had given me such a long vacation. He seemed a little put out about my going; asked whether a very substantial increase in salary would be any inducement for me to stay with him, and I had to advise him of the decision we had made to go.

His wife, during the interview, asked me a number of times to stay with Roy, but being more or less strong-minded I told him my answer was final and could not be changed; that by taking the position I would be closer to our people, especially so since the good wife had had a serious major operation previous February at the Graceville Hospital. It was at the time of this operation that I received the first real shock of my life, not realizing that the future had a good many more in store for me.

The wife was operated on late in the evening. The boy and myself, going to the hotel late at night. Being unable to sleep I arose early the next morning tucking the little lad well under the covers, and proceeded down to the lobby of the hotel. When

about half way down, I saw an aged lady scrubbing ; the door opened, Ole Lien a real estate salesman, pushed his head in the door and asked who the lady from Browns Valley was, who died at the Hospital last night. Ye Gods! I got weak, but having considerable physical resistance I soon recovered and tore for the hospital.

The night nurse, seeing my excitement, refused to allow me to see the wife. I told her of what I'd heard down town a few minutes ago, but she insisted it was another lady who had been brought over during the night. I wouldn't believe it. After promising her I would be quiet, she accompanied me to the sick room, and you believe me, I was glad to see the Kid alive. Seeing her alive, I came back to normal quickly, and returned to the hotel. When a shock of that kind comes to you, you can appreciate how I felt. I've had plenty of shocks since that time tho' and no doubt so have you.

After finishing my conference with Mr. Paul I returned home and for less than 2 cents would have staid. That's where I was a fool. Our business had been fine, yes very fine; our reputation in the community was of the very highest; it was enviable; a reputation enjoyed by our officers, personally, as well as the bank. My environments about the institution were everything a person might wish for. Why take an another position? Yet the deposits of the institution with which I was about to become associated, were about \$800.000.00 con-

stantly going up, and weren't the possibilities of making money, and at the same time render a service to the community, greater with a larger bank? Ofcourse they were. Whereupon a positive decision was reached to accept the Job. The following morning I wired my acceptance and agreed to be at Bellevue on September 15th.

I shall never forget the solicitude; the well wishes of the Valley people. To a person almost, joy and happiness as well as success was wished to us. Parties of farewell were in order the last week. We were busy preparatory to moving and were almost worn out when driving out of town with our Velie Chummy Roadster; furniture and other personal things had been shipped a few days previous.

Arriving at Bellevue, located on the Mississippi River, I saw one of the prettiest towns I have ever seen. A town beautifully situated on the west banks of the River. In viewing the Island out in the River, I took note of the Steam-boat landing and admired it very much. Thru the personal efforts of Rexall Ragatz a beautiful concrete stairway had been constructed, leading from the street down to the very edge of the water. The Park joining this Stairway was beautiful, well kept by a paid custodian. The water looked beautiful; still and placid. To the south the sun was casting its rays over the stream; the foliage on the trees on the Island presented a picture the like of which are few.

I couldn't help but marvel at the wonders of nature. Directly behind me were the hills; all immense and green, and I couldn't help but feel that God must have chosen such a site for a town.

After shaking hands all around with the force, which at that time was made up of the Cashier N. J. Faring, Eldred F. Graaff, A. G. Kieffer and Henry Graaff, the latter three being assistants, I proceeded to acclimate myself and get acquainted with the general atmosphere of the place. Some few minutes later a very cocky individual, dressed in light gray top coat, and a slouch hat perched on the left side of his head, walking with a swagger I could not help but notice, slid in to the bank, whereupon Mr. Faring introduced me to the pompous bird as being Mr. O'Myra, appearing like a cock of the walk.

He immediately started working on me, for wasn't he on a commission basis, and shouldn't he work right quick, helping this same Cashier, sell lots and lots (*I don't mean real estate*) of Stock in the Guaranty Mortgage Co, of Des Moines, Iowa, of which Company this Mr. Faring was to be the future Vice-President? Didn't Mr. O'Myra tell me they had sold bushels and bushels of stock and would sell a lot more? Didn't he tell me you didn't have to have any money to buy stock in this Company? That the earnings would be terrific? That the purchaser could give his notes in payment? That he probably never would hear anything more about

the notes? That the dividende would far more than pay the interest on the notes? And that the balance of the dividend could be paid on the principal, and in that way the loan would liquidate itself (*We bankers didn't know what liquidation meant those days and neither did anyone else.*)

Didn't he say that Mr. Parot, the President of this fine, big Company, had chosen, yes personally chosen Mr. Faring as the Vice-president, because he had built such an enviable reputation as a banker for himself? Didn't he tell me that Nic, as he called him, would be a power in the Field of Finance? and wouldn't stay there long? That his ability was bound to be recognized and that Higher Finance would soon grab him off?

Didn't he know that I had just a little cash, and didn't I think he was out to get it? and didn't he know that the Guaranty Mortgage Co. would make us all rich? and didn't he say folks were coming in to buy it, almost without solicitation? that he believed they would run out soon, for \$2,000.000.00 was all the Capital Stock they wanted to have outstanding, and that he and Nic were out to sell the second million and that it was pretty near all gone? Yes boys, he had the line.

The balance of the morning I looked here and there, met a good many of the customers of the bank, and as I recall now, I believe it was the very first noon, just as we were preparing to go to lunch that I was introduced to Elmer K. Hughie, part-

owner of a Lumber Company in the town known as Horchester and Hughie, by Mr. Faring, who, with his hand on Mr. Hughie's shoulder, after the introduction said "This boy is good for anything he'll sign his name to."

You know, that's a pretty broad statement to make about anyone, and I immediately assumed Mr. Hughie to be a power. Immediately after lunch I began peering thru the Liability Ledger, and why, here was my new friend E. K. Hughie, owing us \$6000.00. I thought of him for the moment only, glad to see such a good note in the case. Why, here was Florence Hughie with a like amount. I asked Mr. Graaff who Mrs. Florence Hughie was, and his reply was that she was the wife of the man I had met just before going to dinner (*we call it lunch now*).

The balance of the afternoon was spent much the same way. Now and then taking a look at this note or that until along about three o'clock I was called from the back room to meet one of Bellevue's new eminent personages, a Mr. Henry G. Johnson. After Mr. Faring made the formal introduction and the usual handshake, I was informed that this man was a son-in-law of the owner of the largest piano factory in the world. That he (*Henry*) had brought the production of the factory up to 25,000 pianos a year; that he thought opportunities were better in Bellevue than even in Steger and that he thought Bellevue would grow like a house-a-fire.

Oh! boy, optimism reigned supreme that day. Everyone seemed to be drunk, not with alcoholic beverages, but with hopes of the future. Mr. Johnson asked me to be sure and come up to the plant; that he wanted to show me around, and that he would be glad to have Mr. Faring and Mr. O'Myra come too.

You see we didn't call each other by our first names yet; that remained for a later date, when I would get personal and instead of referring to any of them as Mister, would call them ???????? which really is many people's first name. After the above meeting and general exchange of courtesies, my newly found friend O'Myra commenced calling me Leo, got me into the back room in some manner or other and unloaded additional Guaranty Mortgage stock on me. Oh! you bet your life, I wasn't going to be let out in the cold on as good a deal as all that. I wanted to make some money as well as anyone else. My investment in that company cost me \$3750.00 plus some interest, together with a lot of grief. In addition to that it cost me several trips to Des Moines, regarding which, more will be said later.

For the first several weeks it seemed an impossibility to find quarters where we might live. I was compelled to leave the family at Farley, with the mother, and I obtained lodging with the Dunn Sisters for a short time. Some weeks later I was able to obtain one room over the Bank of Bellevue, where we set up our housekeeping, pending the

moving of Mr. Faring, who did not expect to leave until January 1st following, after which his apartment was to be occupied by myself. Living in the above apartment, one room only, facing the west, we managed to exist, after which we were able to get the balance of the flat until such time as Mr. Faring would vacate his apartment. Living under those conditions was terrible, but a fitting start to what was to follow.

CHAPTER IX.

After being with the bank about two weeks, meeting many of Bellevue's fine people, I began to feel I was a part and parcel of the community, spending my spare time in getting acquainted with the folks of the town, being shown places of interest, etc.

During our banking hours I spent much time on the liability ledger and one day asked Mr. Kieffer who Theo. Marten was and was told he was a farmer west of town in the Pure Bred Short-Horn Cattle business. This information hadn't been passed to me more than 20 minutes when in walked the subject of our conversation. Formal introduction was made by Mr. Kieffer, after which Mr. Marten commenced telling me all about his Bulls; about the fine cattle he had on the place; about the 30 head he had sold the previous March for \$30,000.00; about having bought a place at Greenisland, one of the finest stock farms in the State of Iowa; how he had bought it for \$60,000.00 but felt it was worth every cent of \$80,000.00; how he could expand down there and make a fortune. He showed me a large picture on our bank wall and informed me the cattle on the picture were his; that he had been offered \$5000.00 for this one; \$2500.00 for that

one, and so on, and that the Bull pictured among others on the wall was a \$10,000.00 bull; that he had the bull's life insured for \$3,500.00, etc. etc. etc. I listened to the bull, or I mean to say about bulls, for about one hour; told my new friend I was very pleased to have met him, as is usually the case in the meeting of two strangers.

About that time Elmer Hughie whom I had met about two weeks previous, called and advised he wished to renew a note due today. I looked up his notes and found neither of them due, and so advised him. He told me the note due today was signed by Horchester and Hughie, the co-partnership. In looking under the proper alphabet, I found the note for \$4000.00 and ofcourse, on account of the very high recommendation given me, a renewal was accepted gladly for 6 months, but asked Mr. Hughie to endorse the note on the back, personally, which he gladly did, completing the transaction.

After his leaving the bank I thought a little about that line and took the matter up a day or two later with Mr. Faring. You see he wasn't at the bank a great deal. He and O'Myra were out selling stock, and to listen to O'Myra tell it you would think people were tearing it away from them, which in some cases may be true. I recall now a very dear friend of mine telling just recently how he had come to buy his stock from those two guys. They called at his place of business, wanted to sell him some stock; he felt he shouldn't buy for he still

had a few debts. They wanted he should buy \$3000.-00 worth. No, he didn't believe he should buy that much, for he wanted to get another little obligation he had out, out of the way first. "Well" said Mr. Faring, "Why don't you buy \$1500.00 then?" "No sir" said Paul. "I'm going to take \$3000.00 worth. I want to get in on a good thing too".

You see the foxy, cocky boy had again painted his beautiful mental picture, and of course the prospect fell for it, with the result that again two notes were executed, signed and delivered. You know how that works. The Supervisor of our bank was pretty busy on the outside, a title unheard of by myself up to that time. Yet I couldn't look for anything else, for hadn't Iowa stepped out and assumed a lot of things much farther fetched than that?

At the time of taking up this Hughie business with Mr. Faring, I was again told his signature on those notes makes them as good as a Government Bond. You know, I thought quite a lot of Government Bonds, having studied them in making sales and being a Four Minute Man during the war, and it was hard for me to compare anyone's signature with a Government Bond. At any rate, I began to investigate the line more and more. While a financial statement, one of the very few we had, showed him enjoying an excellent net worth, yet many of these assets looked dubious, and I could not quite satisfy myself.

The Piano Company seemed adding to their buildings, and general improvement was being shown around the premises. You see Mr. Johnson hadn't arrived at Bellevue, until Sept. 1st 1919, and of course, it took some time to get the plant in shape; getting new machinery; new stock for manufacturing, and it was about January 1st before much real activity was displayed around the plant.

January 1st I was elected Secretary of the Commercial Club, a real live organization of the town, with Dr. Dennison as its President.

Doc and I worked along very nicely. Both of us minded our own business and the Commercial Club got along very nicely. It was on that date the Supervisor left, and charge of the bank was placed in my hands.

Business that winter was flourishing and we advertised:

MAKE THIS BANK YOUR BANK

MAKE OUR BANK YOUR BANK

BANK WITH US WE BANK ON YOU

CHOOSE YOUR BANK BY ITS PERFORMANCE

(Note our growth)

OUR DESIRE IS TO SERVE BEST

HE SUCCEEDS BEST WHO SERVES MOST

A COMMUNITY ASSET

Bellevue is blessed, if you want to call it that, with two newspapers, and the ads were run in both of them. In connection with this matter, tell me what earthly use a town of 1900 could have for two newspapers.

Our deposits grew to almost a Million Dollars, until one day one of our enterprising doctors advertised Bellevue's Million Dollar Baby.

March 1st 1920, that day, that no one, in June of 1919, ever dreamed would come, arrived, and with it more work than I have ever seen around a country banking institution. It was a case of draw a Deed here, draw a Mortgage for this fellow; make a note for this man or that; make a few loans yourself; take deposits and pay checks, until the maelstrom of business became so propitious, that the force consisting of the two Graaff boys, Kieffer and myself could hardly handle all of it.

On that day that wonderful farm at Green Island had to be settled for; that farm that suddenly appreciated in value by \$20,000.00. The men interested in making the deal came to the bank of course, for wasn't a bank there to do most everything. Yes, I prepared to draw the papers, and did. The purchaser seemed to be short in making the settlement, and would we advance \$10,000.00 to help close the deal? Anyway, the deal was closed. One of the interested parties acted as the good Samaritan, allowed his profit to remain in the deal and today still has it coming. Many a time have I

heard him bellyache about it. He's still holding the sack. The other party, interested with him, Charlie Shafer, took his profit, for didn't he need it bad enough? Wasn't he owing a good deal of money? And didn't he have other deals to close that same day, requiring money, and lots of it?

This latter lad was a director of our bank; the type that likes to take the lead in business matters; and the type I made up my mind needed watching and a lot of it, about which more will be said later.

That one deal was one of possibly 30 deals closed that day. That day of reckoning DID Come and many of the boys were crawling under cover. Of-course, the settlements had to be made and were. Many a mortgage was executed on that date throughout the entire State; mortgages which later on brought grief to the mortgagees. You know that.

After assisting in the closing of all those deals, drawing the papers, etc. I was mighty tired, and you believe me that night, I was almost ready to check out. We worked until 11:30 that night (*bankers hours, you know*). The hours were getting longer and the grief was commencing to forecast itself. The following morning a brief inspection of our Tellers Blotter revealed the fact that we had handled a tremendous amount of business. Our turnover for the day totaled close to one Million Dollars. Zowie, what do you think of that for a country bank, in a small town. It took us about six days to readjust ourselves and carry on business,

as usual. Things went along placidly from then until July, at which time many of our notes were maturing, but for some reason they were not being paid as promptly as folks used to pay them in the past. This fellow or that would write me from Dubuque, from Dyersville, from this point or that and say they could not pay their note at this time, and some even advised they could not pay the interest, some of the makers advising that Mr. Faring or Mr. O'Myra had told them at the time they purchased their stock, that they would never hear from the note again; that the dividends would do so and so, and that they were very much surprised to get my letter asking them to pay the note. In many instances the maker would actually get mad telling me I had insulted him when I asked to have the note paid. About that time I began coming to myself, and wrote many of the makers about the nature of the note, and many replied they had given it for Stock in this Guaranty Mortgage; some wrote they had bought something in the Corn Belt in Dubuque; others wrote their note was for stock in the Bast-Fogarty Mill at Des Moines; still others advised their note as being given for the Hawkeye Securities Insurance Co., while some were given for the Insurance Corporation stock; yet others said they bought Mason City Insurance, and some others had their allotted share. (*There you are again, allotment, see?*) Oh! Boy, she was plenty hot those days. It was a normal hot summer, tempe-

raturely speaking, but hot as the devil in the note business.

You see these notes were given the summer previous, and had almost twelve months to heat up, and you believe me many of them were hot, yes, almost smoking. Remember the story? Some of the makers defied me to collect them, stating they had taken the matter up with their attorney and were advised I could not get Judgment against them, since the Supervisor was the boy who sold them the stock. Right now I recall the story about Willie's teacher. She was stylishly stout. When he reached home from his first day of school, his papa asked what teacher's name was, to which Willie replied "No". "Can't you describe her" said the father? "Oh yes, said Willie "Her lungs stick out in front".

My chest stuck out in front, and I decided to go and lick them if I could, collect every promotion note possible. I had reasonably good luck, for after all, all of us possess a certain amount of moral responsibility, altho you fellows know that the moral responsibility don't mean much now; its got to be good, black on white and nothing else. Now they renew, and say thank God that's paid, hating like heck to pay even the interest, Many a hard battle I had.

It was during that summer that another cocky bird drifted in, advising me that Mr. Parot of Des Moines had sent him out to interview me, with

reference to assisting him in the sale of stock locally in the Herminal Elevator Co., which was then in process of organization. I visited with him quite sometime, advising that I had never helped sell a share of stock; that I was not a bird-dog; and that I didn't propose to start now; that people would think much more of me for not assisting him. That Mr. Faring would be thought more of locally if he hadn't placed the stock as he did. The upshot of that conversation was that I threw him out of the bank, altho I do not wish to quote myself as to what all I told him. I swore plenty. He skipped right down to Des Moines, apparently told his troubles, for in a few days I got a letter from my old Friend Faring, that was plenty hot. Letters were exchanged between us, one hotter than the other. One night in taking a reply of mine to the post-office, I decided I'd better take it back to the bank, or it might burn up in the mails, it was so hot. I wrote another, and verily believe it was hotter than the one that found its way into the waste-basket. More were exchanged, until I received as fine a letter of apology as I ever read. Copies of my letters as well as the ones I received are now in my possession. At any rate, no Herminal Elevator Company stock was sold around this place.

Some weeks later, another slicker called representing himself to be with some Muscatine Packing Co. which was in the process of ORGANIZATION. Here was 1920 and they were still organizing.

ORGANIZING seemed to be the popular sport. He propositioned me, without any success. Very nice about it. Asked whether I wouldn't cash a check of \$65.00 for him? He looked alright, so I gave him the cash. Some days later it was returned N. G. I turned his description over to the Burns Detective Agency, who located him somewhere in Indiana and promptly had him lodged in jail. A wire was sent me by his wife. I didn't even know him, much less his wife, and took the telegram with a grain of salt, sitting tight, and letting him suffer in the heat of the Jail. Another wire came. I wouldn't reply, The next evening a Special Delivery came from her, one of the most sympathetic letters I have ever read. In the same mail came another letter from an officer of the town in which she lived, verifying her statements. She sent a draft to cover the \$65.00 and some \$30.00 expense that had been incurred, whereupon I ordered him turned loose. You know if all those birds could have been jailed, or drowned or some little thing like that in 1918, the Iowa Promotion game might never have been invented. I've often wondered who did invent it? You've got to hand it to him, he was a smart guy.

This same summer I found other Hughie paper, and lots of it, and upon ascertaining the sum total of the various lines, I proceeded to liquidate some of them, creating just a little hard feelings on account of the position I was taking, but then you don't mind a little thing like hard feelings, provid-

ing you're getting your Cash back, and you believe me, I was trying to get it back as quickly as possible.

At this particular time of that year we were borrowing from the Fed quite heavily, having placed our U. S. Government Bonds up as collateral. Rather than continue that kind of business, I felt it much better business on our part, to cash in on some of our lines, but the cashing in process wasn't as easy as all of that. Many and many a night I spent in some of our neighboring towns, and many times had friend wife accompany me so the locals wouldn't think I was out cattin' around. I was out many a night making a real honest to goodness effort to collect. A fellow attempted to throw me out of his home one night, and being a little larger physically dared him to try it, and do you know, the son-of-a-gun was actually going to try, until when coming at me, I caught him on the jaw, landing him in the corner, after which I kicked him good and plenty, having lost every sense of decency, with the result that two coppers called, being called by his wife. I did a lot of explaining to them; couldn't put up a bond; it was 11;30 at night, and I had less than two bucks in my pocket. The fellow's wife was on the scene at the station, and ofcourse had to verify what I told the coppers, after which the two coppers smiled and allowed me to proceed home.

Believe me, I was glad to get out of that scrap. But it's only one of the many I had. The note isn't

paid yet. He hasn't got a dime and if he did have, he'd look for a drink first.

I recall that same summer being squatted on the front door step of a retired farmers place in Allamakee County, waiting for him to arise, having a note of \$6000.00 signed by him. I stuck with him until his bank opened for business about 8 o'clock in the morning, and induced him to try and negotiate a loan at the bank, placing the Corn Belt Bonds we had as collateral with them. I wouldn't give him the collateral tho' until he brought me the draft. Apparently his banker didn't know much about the Corn Belt and came out into the street and asked me about them. "You live down near Dubuque, don't you?" I told him I did, and he felt I should know something about them. As a matter of fact I did, but certainly wouldn't tell him what I knew about them or he surely wouldn't make the proposed loan. I told him they had a nice building, nice yards and a few minor other things, whereupon he wanted to see the bonds. I showed them and he wanted to know whether he could take them into the bank and asked me to accompany him. I did. The loan was made. I walked out to the car, started my motor, ready to get out quickly, but awaited my man bringing out the draft. He did. Threw it at me with these words "There's your dam money" and walked back into the bank. That was alright with me, whether it was dam money or some other kind. I was glad to get it, for I felt the note was no good

and neither the collateral. The fellow since, I have heard, went broke, and I don't think there is any more question about the value of the collateral. I believe somebody else is paying taxes.

You bet, those days were the HECTIC days and to you, young banker, who have never gone thru it: DON'T EVER BUY A PROMOTION NOTE.

The promotor gets the commission, somebody else gets the balance and you get what's left. Grief. If you get the money, you're lucky. And again, DON'T BUY A PROMOTION NOTE, even at ten cents on the dollar for the odds are against you to get the dime.

That same summer, another Checker, called; made his examination, so called, patted me on the shoulder with the words "Boy, you're coming fine". Dam little he knew about banking or promotion notes. I asked him what he thought of this promotion paper and he replied "Oh, some of them will pay". He didn't know at the time how close he was guessing it, for it developed later than SOME of them did pay, without any trouble. Some also paid with trouble, and some —— my thoughts aren't fit to run thru this Underwood, so I'll say no more about it.

We commenced using our Undivided Profit Account to charge off this or that one, and I learned considerable about charging off notes. One purpose that serves is for Income Tax purposes, altho a fellow hates to use all his profits for that purpose; a dividend to the stockholder is far more profitable.

CHAPTER X.

"Hello, is did you Abie?"

"Sure, it's me"

"This is Abie Potash, I'm talking too?"

"Yes, yes, vat do you vant?"

"Vell, Abie, I vant to borrow \$50.00 for — —

"All rite, I tell him as soon as he comes in"

The boys were falling back on me and would tell the customer they would tell me as soon as I would come in; that a renewal was wished by the maker; that if a renewal was accepted he could pay the interest, and I would wonder if we didn't accept a renewal, what would he do about the interest? You see, he'd qualified his request. You tell 'em, they were all qualifying, many of them were doing everything else but paying. Then, naturally I would have to discount some more. Sure, we belonged to the Fed, that's what we joined for. What other good purpose could they serve, tell me?

It was during that summer also that the Bull man needed additional financing for a considerable amount, which was granted after serious consideration on the part of the Board, altho they felt the line was getting a little too large. It was to be one

of those temporary loans, so they guessed they'd better make it and help him out.

Very shortly after that I got a few letters from 3 points thruout the State, advising that a certain note of So-much signed by the same party would mature a certain date. Apparently our endorsement was on the back of the paper. I don't want to say any more about it. I took a second mortgage, securing our entire line.

The next spring interest on the first wasn't paid. We advanced it. The following spring a like occurrence. Today we own the farm as Other Real Estate. Sometime you make loan, when as a matter of fact you're buying land but you don't it. You see, during all these years, bulls weren't paying. There'll be more about those bulls later.

Promotion notes were getting so tough that even the note was beginning to get tougher, so tough you could hardly tear them. Some of them I carried continually in my pocket in the hopes I could run across the maker, sneak up on him and probably get a few dollars out of him. That was hard to do. He was kind of watching me all the time, and I couldn't sneak up on him. They felt, and justifiedly so, that their stock wasn't worth much and countered with the statement "How much on the dollar will you settle for?" Sure, there went more of the profits. At that time I discovered also what the Flandreau River Lumber Co. was, and who they were; that

my friend Hughie was It. No he didn't have IT, he just was It.

Late that summer another fine looking individual from Chicago appeared on the scene and offered to sell a few time certificates of deposit issued by an Iowa bank. I proceeded to look up the standing of the banks thru the Blue Book, a Bankers Directory, and from their statement they appeared in pretty good shape.

He offered to discount them to net us 7 per cent, which seemed like a nice rate for that kind of investment, and after taking the matter up with the Finance Committee we decided to buy \$5000.000 worth of them. A short time later the same party called with several notes, signed by various makers, offering to sell them on the same basis, accepting our time certificates of deposit in payment for them. Let me add here; That's a terrible practice, my first of its kind, and let me advise you, if I may, don't ever issue your good time certificate of deposit for any note.

The notes referred to were signed by a retired farmer and two bankers, who operated a private bank in Central Illinois. I telephoned to that point and was advised that the notes were alright and would be paid at maturity. After getting the above information I reviewed the financial statements of the three makers, submitted with the notes and felt satisfied that the notes were good. The Committee and I decided to take the notes. These notes

gave me an endless amount of GRIEF, considerable litigation with the result that finally the one note was paid, in the case of the other we obtained a Sheriff's Certificate on land in Rock County, Minnesota (*which the Judge there saw fit, for no reason whatsoever to set aside*) ordering payment of the note to us, which was done.

Since the redemption period had expired, to this date, I cannot understand why it was set aside. In the case of the third note. The maker was a wealthy retired farmer, a director of the bank. He had made the personal acquaintanceship of a slicker Oil man, who bled the poor devil almost dry, selling him a terrific amount of stock at various times, accepting his notes in denominations of \$2500.00 and \$5000.00, negotiating them all over the country. The bank of which this man was a director took note of what was going on; called in Mr. Oil buyer and had him secure the line they held against him, and co-operated with other banks in the same town in assisting them to secure their line. He had enjoyed an enviable amount of credit at the local banks prior to that time. Later on when some of the notes given for this stock matured, the local banks there could be of no assistance to him, with the result that the other creditors of which there was a total of more than \$100,000.00 represented, were left holding the sack; the maker of the notes becoming a virtual pauper. His financial statement at the time of signing the notes showed net worth

of about \$150,000.00 represented by much real estate, clear.

A few years later he was a poor devil, without a dollar in the world. All brought about by listening to the words of a high pressure promotor and placing his utmost confidence in him. It is a fact that at the inception of those notes, the maker was recommended very highly by all the banks in the territory; said he was considered A number 1 and would pay anything he would sign his name to.

Little did they surmise what the man, in whom they had placed so much confidence, was doing. The two other makers of the notes were compelled to close their bank; making an assignment for the benefit of their creditors, and still later being thrown into bankruptcy. However, our judgment had been a matter of record for over four months prior to the bankruptcy proceedings, and I was able to collect from them in full, not however, without a great deal of trouble and expense, and trouble that weighed more heavily on my mind than the principal amount of the notes, for hadn't I had so much GRIEF, the notes would probably have been charged off, in the hopes that later we would get something out of it.

Prior to bringing the above to a close however, I foolishly purchased other paper from this same Chicago man, with the net result than we were in for half the amount of our Capital Stock, an amount I have been to this date trying to collect.

Boys, don't ever monkey with that kind of paper. I was taught a very expensive lesson, a lesson that to my dying day I shall never forget. Each and every note this man offered was accompanied with a financial statement that appeared good; none of us scrutinized statements as closely as we do today. A financial statement at that time was just so many figures and didn't mean much. One of the names of the above block was collateralized by a large block of stock of the Porter Tractor Co. of which many a banker knows a great deal; now defunct.

I'm taking the blame boys, for having been a first class damfool, and I'm trying to word it plainly in the hopes that no banker will do the same thing. While it is a fact that very little of that kind of business is being done today, yet another day may come, and if it does, **LAY OFF**.

While all of the above was transpiring many meetings of the Board were being held to work out ways and means to combat it. One director seemed particularly interested to the extent of offering considerable criticism for my having purchased the paper; to which I replied that unless we were very careful we wight meet up with the same result with his personal line. He became very much incensed at my statement and said "This bank will never lose a dollar on Charlie Shafer". "I did not reply, but felt it would be the advisable thing to do to check up on his line, which I proceeded to do for weeks and months to follow. During a period of three

months I took three different financial statements from him. Each one different. He couldn't quite remember what he had told me when giving the previous statement. My suspicions were immediately aroused, and I felt that watching the line very closely would be profitable to the institution. The line was large, too large, altho his statement too, showed him worth considerable. This statement was inspected many a time. It showed him to owe most every Tom, Dick and Harry as well as a good many banks. We allowed the line to continue for a year, in deference to his being a director of our institution, altho I was advised to watch the line a little closer.

That coming winter, the winter of 1920-21 I listened to Pure Bred Bull conversations mostly every week. For wasn't there going to be a big bull sale that coming March? They were being fed well, with our money, groomed, curry-combed and brought into excellent condition to sell. Still having in mind that 30 head sold for \$30,000.00 I felt there would be enough damfools who would pay that kind of prices for them, and hoped and prayed that the coming sale would be a success. It was during that winter we enjoyed the good-will of the community; our deposits mounting continually to huge proportions, large for a town of 1900 people along the Mississippi River, with but half a territory to draw from, and at this date I can say that

had this CONFIDENCE continued our bank would be in operation as a good going institution.

Early that winter a certain note of \$6000.00 signed by a farmer west of town, secured by his mother's signature matured. Upon its maturity I was advised that the mother owned the farm of about 200 acres; that she was perfectly good, etc. Prior to renewing the note, however, I drove to the County seat and discovered that the mother had but a life interest in the farm; that upon her death the farm was to be divided between 7 children share and share alike. What was the security on the note worth? Nothing, was it? What was to be done in that case? Nothing but get under cover with a Chattel mortgage on the young man's farm personal property, which was promptly done. In addition to that I obtained an assignment of his interest in his mother's estate as well as an assignment of his wife's interest in her father's estate. Up to the time of writing this we cashed in something in excess of \$2000.00 on the wife's interest in her father's estate; are selling the young farmer out tomorrow (*February 28, 1928*) in the hopes that we can get about \$2000. out of the sale and still hold the assignment of his interest in his mother's estate for payment of the balance. There's going to be a loss there, but better take it now than later. And so she went.

An identical case covering a note of \$6500.00 occurred, where I was fortunate to get the signature,

to half the note, of the brother of the borrower, and the borrower' father-in-law signing up for the other half. That was a case where the in-laws came in handy I was lucky to get that line cleaned up in full.

March 1st 1921 came and again business was tremendous; our force was rushed until late into the night (*bankers hours still prevailed*). While we did not do the large business we did the year previous, there being but few land settlements, yet our every assistance was offered to these corb-stone bankers you know the kind I mean; the boys who got out on the street and solicited business; try and make loans at a better rate of interest than the bank is paying; assisted by some bird who owes the bank himself and is unable to pay his note; making all arrangements for the loan, than walking into the bank and asking you to draw up a note for them. You of-course, do that little thing, very willingly. Then the payee would flash a time certificate of deposit at you with the words "I am loaning this fellow this money". Oh! yes, you were the good fellow all around, glad to help all of them.

The coming Bull sale was up for March of that year, at Green Island, and would I grace the sale with my presence? Sure I would be glad to go; clerk the sale; drag home all the money and credit the proceeds on a note that was already past due. But do you know for some reason or other, the buyer's

didn't think bulls were worth as much as in the past, and instead of selling for a thousand dollars average, they sold for about a hundred. Naturally, upon that basis , the cattle listed on the financial statement, previously given, weren't worth anywhere near what the statement showed.

Some days after the sale the seller called at the bank and ways and means were discussed to hold the herd of bulls and the other cattle together. I was beginning to think and talk Ways and Means. From that date to this I listened to bull, bull, bull and more bulls until I almost got bully myself and could not decide whether I would eat any more bull or not, until one day at the Birkill butcher shop I was offered some nice fresh sausage, but I told Fred I had all the bull I could handle, that I would take a nice half dozen pork chops. (I wasn't Jewish). I should have started eating bull meat at that time tho', for with my appetite I'd made bull history ; my temperature was rising to fever heat.

That summer our local City Council passed a "Resolution of Necessity" and ordered the installation of a Sanitary Sewer in our peaceful little village.

A lot of kicking was heard, mostly by the retired farmers of the town. Didn't the boys on the Council feel that the addition of the new Sewer would be the means of eliminating everything that boded for contamination? That the town should be made 100

per cent modern; that folks would appreciate their efforts, for didn't they spent many an anxious hour in figuring with this contractor or that? Didn't they spend their time in behalf of our little Village for the benefit of the residents, at practically no remuneration to themselves?

The retired farmer couldn't see that though and promptly proceeded to get out his hatchet, I believe, some of them carried sledge hammers. Weren't they willing to put up with the conveniences that were in existence 50 years ago? Sure they were. They could get along. What's the use of progress anyway? He had plenty of dough and didn't care whether the town ever amounted to anything or not. The farmer has my good will and sympathy as well, but the retired———.

The sewer was installed. At the next town election the entire Council was defeated for reelection. That's what they got for being progressive.

The summer of that year passed; the local baseball team made a very good record, under the management of Pard Budde. Many a fine game I enjoyed.

Business was good; the men had work helping install the new sewer; business at the Piano factory looked prosperous. The general atmosphere around the town was good.

At a regular meeting of the Board of Directors I placed the matter of a stenographer before them,

advising them of the press of business, and stated I believed we should have one. That was O.K. Hence some of my work was taken on by some one else so I could devote more time to conferences, etc.

At that time, and for sometime previous, I had been in touch with my first acquaintance E. K. Hughie, and kept pounding him on the back to pay a certain note of H. G. Horchester another of Josephine Horchester, one signed by the Flandreau Co., the L. S. Hughie note and one other and was meeting with pretty good success; cashing in all the time. He asked me during one of those collection periods whether we didn't appreciate 8 per cent interest to which I replied that 100 per cent principal sounded better to yours truly.

That summer was very warm, in fact hot, and every time he and I went into conference the temperature would rise about 10 points. You see, I'd made up my mind to cut that line down at any cost, and at that time had it cut in two, and felt I would have it cut out all together if a sufficient time were allowed to elapse. After one of those heated conferences my friend Hughie went to the President of the bank with the statement that I was taking advantage of him and was pressing him too hard. The President thought I might be a little hard on him, but in my persistency and bull-dodged tenacity I was able to collect one every now and then.

All during the summer I would hear a little more

Bull stuff. The crop wasn't so good and would it be possible to arrange for enough feed to keep them?

That coming winter saw us enjoying more good will; our deposits mounting to \$1,175,000., no mean total for a town our size. While collections got slower and slower; the farmer's income had been materially lowered on account of the drastic liquidation process that was being enacted thruout the entire United States, and yet the farmers in our immediate locality did not seem to suffer a great deal. The man who had his farm fully paid for, was getting along quite well, but the poor devil who had a lot of interest to pay, was commencing to have his struggles.

CHAPTER XI.

During this period I decided a show-down would have to be had with Charlie Shafer; a show-down, sometimes referred to as a re-adjustment.

Since starting my investigation I discovered he had a first mortgage on one of his farms, another first on the other, altho his statement did not show that to be the case. I knew also that he owed an amount equal to the amount of our line combined with the first two mortgages. Whereupon I decided the better thing to do, on account of his directorship in our bank, was to get a mortgage on all of his lands, which was done, secured by 465 acres, a portion of which he might have sold during 1919 for as high as \$250.00 per acre, having just prior to that time sold a small tract for somewhere near that price. Our mortgage was placed on record and nothing much said about it.

It was during this year that I was elected President of the Commercial Club; elected Treasurer of the Knights of Columbus. Oh! yes, I was beginning to be a power in the commuinty. Mothers came to me asking where they should send their children to school. Farmers came and asked whether I thought they should buy cattle on the present market or

not? Whether they should cut down on their pig production. Many like matters I was interviewed about. Ofcourse, I was expected to answer each and every one of them intelligently and tried to co-operate as much as possible, standing ready to do a good turn for them whenever possible.

Wasn't the banker's job to assist everyone in the community, in most every capacity? So the public thought, and took advantage of it. Even dead folks must have expected help, for wasn't the banker's car used at most every funeral?

Another Bull Sale. The owner apparently didn't think they would bring so much, so he threw in a few pure bred hogs to help the sale. It didn't help. No one wanted Bulls and neither did they want hogs, for hadn't the hog market dropped from 17 cents per pound to 7 cents? Why raise hogs?

Director Shafer was much interested in cattle, so much so that no one seemed to know much about his financial responsibility (I don't believe he did either). After trying to answer many inquiries I finally decided he wasn't the right type for a director of a bank. I called him in and reviewed the matter with him thoroly. He was going to kick me out of the bank (Many times since, I've wished he had) and stated he was a higher authority than was I. Sure that was true. But right then and there I more than exercised mine. The result was that at the following meeting of the Board I had a re-

signation written out for his signature, handing it to him to read and sign. You bet, before I got through with him, he had it signed, and glad he had done so. About then, I obtained a chattel on his personal property (there wasn't much to mortgage) and a Deed to the farm. to save the foreclosure costs, with the understanding that the following March 1st he would vacate the farm.

That March 1st saw us again with much work, making up more notes for the boys, the curb-stone bankers. Ah! you bet, weren't we a real bank, weren't we advertising SERVICE to death, doing each and every little thing for nothing? Weren't we collecting taxes, dog licenses; auto applications; hunting licenses; drawing Deeds, Wills, and notes and mortgages, all free of charge?

You bet, we were rendering a service, at whose expense? You bankers know. And right let me add that the banker who does that work gratis is NOT a real service to the community, but an out and out damfool.

Do you expect to walk into a grocery store and walk out with an armful for nothing, or do you walk into a hard-ware store and walk out with a spade for nothing? You bet your life you don't. You pay real money when you get anything, money you work hard for, so why in the name of common sense does the country banker deliver his merchandise free of charge? I'll tell you why, because we've

been nuts, and didn't stop to figure our business as good business would require. You can't hope to do your work for nothing; pay for everything you get and get by with it.

Since that date tho' many bankers have been educated and are now making a reasonable charge for their services. We changed and charged. It's a fact that your service is a real asset to the community, but does your community appreciate it? Wait until you get in the ninehole, and you'll learn too.

That same March saw the bull sale. I was present at the sale, again prepared to bring home Cash, real money. But the boys at the sale didn't have any real money left; they'd spent it all for bulls in former years, and since bulls alone do not propagate the bull market was not so bully. I was getting more and more discouraged, and again wished no one had ever invented such a thing as a pedigree. Didn't they trace their lineage back beyond the day of the Queen of Scots? Weren't they the fine Scotch Short-Horns? You bet they were, but no one seemed to want them just then. They wanted to wait until times got better, until the time came when a banker would again take a note of \$10,000.00 for a bull or a note of \$5000.00 for a fine cow, and then later leave the banker holding the sack. I know. You know, those fellows were getting used to letting the banker hold the sack, and in many cases the banker was getting used to it himself.

Today, while without funds, had I a million dollars CASH ON HAND you couldn't sell me a note for more than \$150.00 covering the best pure bred animal in the world, irregardless of what any breeder shall say to the contrary. Why man, they're as bad as promotion notes, for after all, that is just what they are. The boys get together, the breeders. You buy my bull for \$50,000.00 we'll go out and tell the world about it; you use that for publicity purposes; I'll come to your place next year and buy one for \$40,000.00 (hand you back your note of \$50,000.00, you see, that first transaction wasn't for Cash but the public didn't know it) and take my bull home. Now then, haven't we both got two fine bulls, wherewith to improve and build up our herds; can't we advertise next year all about our high priced sires and dames; can't we trace the lineage back almost to the days of the Roman Empire, even to the days of Sodom and Gomorrah and possibly to the days of Noah's ark? All that would be necessary, would be to just add a few more names of sires and dames at the head of the list. Some of you boys that have had to do with the pure bred business know whereof I write.

That March 1st a customer who had sold his farm during the 1919 Wild-Cat days did not receive the interest on an \$18,000.00 mortgage he had taken as part payment from the new purchaser.

This customer had sold the farm for \$36,000.00, 200 acres, agreed to accept \$18,000.00 in cash, and

would take a second mortgage on another farm that the purchaser had formerly owned and upon which he accepted a second mortgage of \$18,000.00 in settlement on that hectic day March 1st 1920. This latter farm was subject to a first mortgage of \$16,000.00 which together with the \$18,000.00 second mortgage and \$6,000.00 in cash made up the consideration \$40,000.00 he had sold the farm of 160 acres for.

My customer previously accepted the \$18,000.00 mortgage as part payment on the farm he had sold, having it placed in our collateral file, as security to a loan we had advanced him.

With the non-payment of this interest on the mortgage, I made an investigation of the status of the first mortgage and discovered that neither had the interest on that been paid.

To save general expense all around, we paid that interest in the hopes that conditions with the maker of the mortgages would improve to a point where it would be possible for him to pay it. That day never came however.

Another year went by, interest on the second was not being paid, and after several inspections of the farm I felt it wasn't worth, at least, it wouldn't bring more than the price of the first mortgage, so consequently refused to pay any more interest on the first, foregoing the second we had in the collateral file.

Conditions continued worse in that respect, with the holder of the first mortgage foreclosing, and after obtaining title, offering the farm for sale at the price of their mortgage, foregoing interest and expense.

The farm went begging for a buyer a long time after that. No one wanted land.

As a consequence the seller of the local farm could figure that he had obtained less than \$100.00 an acre for the place, whereas the settlement had been made on a basis of \$200.00 and the financial arrangements he had made in anticipation of this \$18,000.00 being good, were entirely disarranged — my collateral file was somewhat disarranged also, for about all was left of the file was the file itself. The contents while still there, weren't worth the paper they were written on.

Now, who was the fool in that case? It would be mighty hard to blame anyone in particular.

The various Court Houses of the State were commencing to be busy places also. Our County Court with its tumble-town shack of a Court house, reminding one of an old 12 mile house, constructed of brick partially decayed, presented a very delapidated appearance. Yet it served its purpose just as well as some of the elegant Court Houses of the State, the cost of which had been met with a Bond Issue voted by the farmers of that community at a time when prices were up and going up every day. About this time they were feeling the brunt of the

burden of this additional taxation and wished they hadn't built this large, beautiful cut-stone Court-House, to which many of them were being virtually led on a foreclosure proceeding. You see, his vote had assisted in building it, but his vote at the same time, pledged his farm to help defray the cost — and now the fiddler had to be paid.

He'd probably go to the bank for assistance but found that the string the banker was using was a much stronger one than he had used in former years, and found out that the banker was getting tight, as he termed it. It wasn't a case of the banker being tight, just a little more cautious, that's all.

Spring came early that year; farmers got busy putting in the crop, and much of my time was spent in trying to cool off some of my HOT notes; you see the coming heat of the summer would make them hotter, if such were possible. Much of my time was spent in trying to collect this one or that one. I had not taken a vacation since coming to Bellevue and felt a vacation of about 30 days during the month of June would do me a lot of good so preparatory to leaving I tried to make all the collections I could. They staid slow tho'. The patient wasn't showing much improvement, much as the nurse was babying things along.

Just about then we were favored with the account of the Henry G. Johnson Piano Manufacturing Company, that coming giant of the industrial world; they had been doing business prior to then, with

another institution in the town, from which institution Henry had bot the plant. Henry called one day and stated he wished to open an account. My reply was I would be glad to have him do so, where-upon he pushed in a flock of Trade Acceptances telling me to discount them and give the Company credit. Get that, he didn't ask whether we would discount them. He just told me to discount them. I replied I would take the matter up with the Committee, look up the ratings of the makers, and if agreeable, we would be glad to credit his account within the next few days.

"Why" replied Henry "our endorsement is on the back, you see, we guarantee their payment".

That was alright with me, but not knowing anything of the condition of the company I preferred looking up the acceptor. Henry seemed a little disappointed but nothing else was to be done. From that day on the account was one of those you had to watch every day. We didn't want a continuous overdraft; we didn't want to pay a big one unless they had the funds on hand.

At that same time another fellow with a lot of pepper opened an account under the name of Schmitt Motor Co. He peddled Ford cars, and would trade for most anything from a silver watch up. During that season he sold some 80 cars, so much down and, so much when he could catch him. Some of them he never could catch. He's sell any old can to anybody, take a dollar down, if he could get it, and take his

chances on the balance. Oh! yes, he was a hustler, finally hustling the business off, and we thanked goodness he was out of town.

I've always enjoyed handling automobile paper; my experience with it has been very good; for many a man would almost steal; would leave his family go without the very necessities of life; just to maintain his payments on the car. You have them in your community; every community has them.

June 1st, the date I had set for my vacation came. One bright morning the good wife, Bob and I set out for Browns Valley for my first vacation. The trip was uneventful; the car practically new; the tires in good shape, so there at least was one place I wasn't going to have any trouble.

Upon arriving at the Valley we put up with Herb Koepke and his good wife Floss; spent a few days around the town meeting the boys; everyone was glad to see me. Many of them asked whether I was coming back to the Browns Valley State; some insisted that I do so. My answer was that I was vacationing and would do nothing but enjoy myself. The third day in town I received a telegram from one of the boys at the bank with reference to the Piano Company account, after me telling them I didn't want them to bother me with any details; that this was going to be a real vacation; that I wanted to forget everything; and here they were, wiring me what to do about a certain matter relative to the

account. My wired reply was short and snappy asking them to hold it over until I returned.

Matters went on pleasantly; parties were again on order; we attended many dances at the Hartford Beach; many a drive to the South Dakota Hills, the Indian Reservation particularly appealing to us. Dinners until we could hardly do justice to them, when one day upon calling at the bank a telegram was handed me advising of a certain draft on one of the other banks in our town having gone to protest, the draft being for a considerable amount, and asked what should they do about it? Ye Gods! there I was, supposed to be having a vacation, one of those kind you read about, carefree and all that; just supposed to be, and now again being harassed with business. I felt sure I would not be bothered on that trip, and felt that once, for two and half years, I would not have any particular worries, but the Powers that Be would have otherwise, and it apparently was not in the cards that I should get along without an unusual amount of GRIEF.

When the telegram came in I thought the best thing to do was to pull for home; breaking an excellent vacation suddenly; the folks couldn't understand why I had gotten in such a hurry. I knew, but what could I say?

Again, comes to mind the hope and prayer of a good many mothers, that their son should grow up to be a banker. Little do they dream what the past 8 years held in store for many a banker, and to pass

on to posterity this book is being written. The writer knows he will incur the ill will of a few, but feels that the tremendous amount of good it will accomplish, will be ample recompense. I've been abused, cussed and discussed; threatened and what not, but I'm still alive; still have ample energy; haven't lost my hold on life and not sour on the world; still ready to do for the other fellow. Yes sir, my ambition is still on the job. My disposition at the time of writing this particular line is far better than anytime since 1920.

Since I used the word "threatened" I'll relate a threat I received in the mails one evening from a local borrower who said if I didn't lay off him 'he would get me'. I got the letter at 6:30 in the evening, jumped into the car and directly to his house I went. He was out on the porch, lying in a hammock, reading the evening paper. As soon as I approached the porch he arose. I threw his letter at him, called him a dirty son-of-a-b and asked him to step off the porch. He was one of those yellow birds that's strong when it comes to writing you something, but mighty weak when it comes to backing it up with his fists. I finally slapped him one in the puss, returned to the car, and came home. He's been a pretty good friend of mine since.

Upon my return from my vacation after having enjoyed the excellent hospitality of the Browns Valley people, I immediately proceeded to see what I

could do about the protested draft. Walking down to the other bank I was advised the Cashier was out of town. I took the matter of our bad draft up with the assistant-cashier and was advised that I would have to wait until the Cashier returned. Along about noon the Cashier handed me a new draft with the statement it was good. I was glad to get it and returned to our bank; had the boys clear it with the remittances and everyone was happy again.

Some days later a notice of protest of the new draft came to hand and again I wended my way down to see the Cashier. Again he was reported out of town. The following day I collared him on the street; we went to his bank where he advised he had a lot of good notes he would give me in payment of the draft. Rather than accept another draft I felt my taking the notes would be best for us. There I was walking into more grief, yes GRIEF and nothing else but. After reviewing some of the names and amounts I was handed enough notes to cover the draft and returned to our bank. In taking over some of their notes was one signed by a widow, residing in our town, a widow reputed worth \$20,000. or more, who would have funds coming to her, at present tied up in that bank, since the previous March 1st, pending a correction of the abstract of title, covering land previously sold.

Apparently however, they were not her funds, for so the District Court later held, holding that the funds belonged to the party placing them there, who

instructed an officer of that bank not to pay the funds until the abstract was completed. This particular case for the two years following took considerable of the writer's time, without compensation (another service).

Oh! yes, I was reimbursed, reimbursed by losing a good many fine accounts, just because the truth of my testimony happened to be unfavorable to them, but then, sometimes that's what you get for telling the truth. I've listened to a good many people on the witness stand, many of them I wouldn't believe under 17 oaths, say nothing of one, and they seem to fare pretty well, at least they fare better than it has been my lot to fare. The entire local community know whereof I write.

From the date of accepting those notes we had more or less difficulty with other drafts issued to us by that institution, causing me to go down, look thru their note case with the Assistant-Cashier (the Cashier was mostly absent) choosing such notes as I felt would be paid, until I got so plum disgusted with the whole matter, that I wrote the Federal Reserve Bank of Chicago, that they needn't send any more checks to us, drawn on that bank, that we would not honor them, that we were getting disgusted with accepting protested drafts in payment of their items. They promptly sent one of their men a Mr. Forrett, who called on me in the morning and went over the matter with me; said he would go down to the other bank and see what arrange-

ments could be made. He visited with the Cashier for several hours and returned to our bank, advising and recommending a loan of 10 grand to them; that they were willing to collateralize the loan well with stock that was very valuable; that the Cashier hated to pledge this stock; that he wanted to hang unto it; that after considerable persuasion he induced him to place it as collateral to our bank for the loan. Now then, 10 grand is a lot of money and I knew it, and had a pretty good idea about their bank and hated to make the loan. Mr. Forreth assured me it would be a high grade loan and all of that. Some days later it so happened that in the clearings they had more of our checks than we had of theirs, so rather than pay them the difference, I credited the difference on their note, reducing the loan to 7 grand, plus. Additional help was furnished the other institution by ourselves until the matter became impossible, when a brother-in-law appeared on the scene, who felt he could save the situation down there. I believe he was absolutely sincere in his opinion; he felt he could do so, but it was mighty hard to save a drowning horse, and on October 12th of that year, they failed to open their doors.

It didn't take me long after that to discover that the loan we had made them, well collateralized, was no good, and that the same virtually was true of the collateral, and you believe me the mental abuse I gave that Chicago bird was nothing slow, and to

this date this purported representative never has shown up at our institution. He's probably heard of the result of the loan and no doubt had assumed what my attitude toward him would be. I want to add it was one of the worst loans we ever had; made against my better judgement. Understand, that was in 1922, and here we are in 1928 and no Forrett shows up. If all of his efforts are as competent as his efforts here were, I feel sorry for him. And yet someone dictates how you should run your business.

Wasn't I being pushed by the Powers that Be to liquidate? Didn't Chicago call me by telephone one noon and insist we sell our bonds? We had retained ownership of more than 100 grand up to that time, altho we had them pledged for a loan. Letters were received from time to time; liquidate, liquidate, etc.

The good old United States Government Bonds we had paid one hundred cents on the dollar for were way below par; naturally I would hate to sell them at a loss, but that didn't seem to make any difference to them! you liquidate was all they seemed to know.

After getting the telephone call referred to I decided, in disgust, to sell, take our loss and forget it. You know boys, a loss of that kind was hard to take. Real Bonds, secured by the assets of this Grand old United States of ours, that everyone thought would always be worth 100 cents on the dollar, selling way below par.

Didn't you convince your prospect at the time you sold him bonds that he could always get his

money back for them, anytime? And didn't he feel that way when he bought them, and didn't you feel the same way yourself when you bought yours? And here were the Powers that Be, almost ordering you to cut your investments down, liquidate, until the word LIQUIDATE began to smell a little.

The bonds were sold at a terrific loss to ourselves on Oct. 19th, at which time I could not help but wonder what was going to become of the various assets held by our dear Nation, assets they received at the time they advanced all of those funds on Foreign Loans. You fellows know what the general result of the Foreign Loan business was.

Oh! yes, the boys down there were bright, far-sighted, and recommended conservative liquid loans. You know how conservative and liquid these foreign loans, made during the war, are.

The Campaign of cancelation of many a Foreign Was Debt pretty well matches the compounding and compromising many a man has been compelled to do to clean up.

At the time of the Chicago telephone call, I became so disgusted I told the man on the other end of the wire that he was welcome to come out and run this plant himself if he wanted to do so. He said he didn't want me to feel that way about it, but couldn't convince me to the contrary. Anyway the bonds were sold, and at a LOSS.

It is a fact that you and I did not buy them on account of their high interest rate; we bought them

purely out of Patriotic reasons; we wanted to do our bit to help win the war. We didn't realize at the time that another WAR was coming, a War that to many of us meant health, property, and reputation, a War that undid many a bank; a War that removed a reputation enjoyed by many a bank for years; a War that wrecked homes; made suicides of people; people who would not under any ordinary circumstances think of doing such an act; a war that brought about the closing of many a Middle Western Country bank, a bank that probably had been in existence a good many years; a War that closed a good many of our city banks as well (I have but to refer to Iowa's largest town); a War that brought havoc and desolation to the entire Middle West; a War that threw entire agricultural communities into a chaotic condition, and what was it all about?

ABSOLUTELY NOTHING BUT A RE-ADJUSTMENT OF THE WLD CAT DAYS OF 1919.

Who was to blame for it? Nobody but the public themselves. They brought it upon themselves by spreading out in 1919 and were unable to draw in their horns in time to meet the adjustment period. Yet, who got the blame for it? Nobody but the banker ofcourse. Wasn't he at the bank for every purpose under the sun? Wasn't he supposed regulate the entire community? (Yes, in the minds of some). Didn't people flock to him for his advise, and if perchance the advise went wrong, wasn't he to

blame for it? And wasn't it a fact that if the advise did turn out sound, the dear man took credit for his farsightedness, and never once gave the poor devil in the bank credit for his advice?

You bet, if you were wrong you were considered but a fool; if you were right, would the son-of-a-gun come back and thank you or offer to pay you for the sound advice you gave him? which advice may have meant thousands of dollars to him? Ofcourse, he wouldn't.

The Fall of 1922 as every banker in the agricultural section well knows saw the *grief* crawling up. The original promotion notes, some paid, and many renewed from time to time, on account of the inability of the maker to raise the money. What else could you do? Carry on with him in the hopes that the future might hold better things for him, and when that time came, he might clean up the balance he owed. Many letters were written; you see, the maker DID hear from the notes again, altho the promoters had told him the chances were he never would hear anything more about them. Note the word "chances".

CHAPTER XII.

Yes sir, the closing of that institution did not mean much to the local public, for they did not seem to be much surprised. Everyone sort of took things in a matter of fact way. We were fortified with currency in the event the public might feel we would be next in order; in case they would get panicky we could weather quite a heavy storm. However, the public treated us very nicely and our business went on about as usual.

Earlier that summer the Henry G. Johnson Piano Mf'g Co. seemed to be having more or less difficulty financially. They were hard pressed all of the time and negotiated several firm loans with us, carrying the endorsement of the Boss's wife, who was a participant in a very large Trust Fund in some Chicago Bank. With that information and knowing it to be positive, we did advance several loans from time to time.

The day came, however, when the Company SPREAD OUT a little to far and needed additional financial help, and since we did not see our way clear to advance these additional requirements, Henry decided a Bond Issue would be in order, for, wasn't everybody issuing bonds? Sure, why not?

Yes, bonds were the thing. People had been educated to buy bonds during the war; sure, they'd buy more of them; they'd learned they were a pretty nice thing. So Henry proceeded to arrange for the Bond Issue, naming our bank as Trustee of the Issue, and making arrangements with a Chicago Broker to have him dispose of the bonds.

The bonds were dated, issued and delivered on August 1st 1922 drawing interest at the rate of 7 per cent, semi-annually. The broker didn't seem to get anywhere with the sale, selling only about \$1500 whereas he agreed to sell \$125,000.00. Being put up against the gun, Henry took the matter up with the Commercial Club, for weren't Commercial Club's for that purpose? Hadn't they assisted him previously in selling stock around town? so the Company could proceed toward the higher realms of industrialism?

Why sure, they had, and were willing and glad to assist in the sale of the bonds.

Promptly a meeting was called. A committee named to go out and sell which they did. While folks looked at the entire proceedings out of the corner of one eye, didn't they possess that civic pride every resident of every town should have? Didn't they have a real factory here, employing a large amount of help, 210 people; a factory that they wanted to see do well, which would eventually help toward the general improvements around the town? Hadn't town property doubled in price the

last few years, due to nothing but the Piano Factory? Weren't we all more or less interested? Didn't many of us own stock in the plant? and why wouldn't we buy bonds and help our own plant along? Weren't the merchants interested in seeing it do well, for weren't they selling more groceries as a result of the factory being here? Ofcourse they were.

So everybody out and sell bonds. About \$40,000. of the issue was sold at the time. The company was tided over temporarily at least and the wheels of industry hummed merrily on.

Henry was a hard-boiled fellow at times, and hard pressed at others. Many a time when in the latter condition he would come to me and ask me for funds, almost cry for them, but without avail, for hadn't we advanced him the limit? And yet the general public had the stinking idea that we owned the Piano Factory. What little they knew about it, and yet, how could you prevent their talking about it?

Anyway, business at the factory looked up, many pianos were being manufactured and sold; (Music charmed the soul so Pianos were made to furnish that music); an air of prosperity was about the place, but their balance with us did not seem to grow by leaps and bounds as they previously anticipated, and neither were they retiring their indebtedness as they had expected, altho they were manufacturing 17 Player Pianos daily. Right then and

there I began worrying for them. You know, I had that terrible faculty of worrying for the other fellow. Not only for him, but with him. And many a time I was compelled to do things I would rather not, just to forget the other fellow's GRIEF and mine too.

Immediately following the closing of the first institution of the town I walked down the street to the other bank in town; told the owner and Cashier that I would like to talk with him in the back room.

Upon retiring to the back of the bank we seated ourselves, whereupon I told him that in view of the closing of the other bank, he might like to go over matters with me, and that it might be advisable to join hands to weather a possible approaching storm. Both of us might be better off. He made no reply. There I was again, eager and ready to be of service, not only to the community, but to a competitive banker as well. I told him that in event he would have any trouble, we would be glad to co-operate with him; take over such paper as would be acceptable to me; furnish currency for it, and be of any further help he might need. His only answer was staring into space. Since he did not see fit to reply to the very fine offer I had made him, I returned to the bank, and allowed him to paddle his own canoe.

Upon my return to the bank I made statement to the boys that I believed "that fellow hasn't got

a 'ell of a lot he thinks would be acceptable to us, or he would have at least said something." Little did I know at that time that I had guessed his condition absolutely correct.

About ten days later, upon arriving at the bank rather early in the morning, I was greeted by Rexall Ragatz, with the statement that the other bank was closed and had a sign on their door.

I can't explain the feeling that went thru me. I sat in the back room, looking out our west windows and could see an imaginary black cloud hovering in the sky, and immediately went to the work room and asked the boys how much currency we had in the house. Upon being assured that we had a considerable supply, I felt somewhat better, but for some reason or other I had a premonition of what was to follow.

Some folks have a natural intuition of things about to happen; a sort of boreboding, bringing out the old saying that "Coming Events Cast Their Shadows Before." That cloud I could see in the Western Horizon that morning, did not look good to me. I went about my work as usual tho' and nothing of importance transpired until along almost noon.

People had congregated about the streets all forenoon and no doubt slanderous tongues were busy; gossip was rife; and when I say gossip I am referring to the most damnable thing in the world today; for isn't it a fact that fortunes have been

lost; reputations built up by years and years of hard work, honesty and integrity have been ruined for no good reason. Just the work of vile tongues, dirty low-livered pups, lower than the skunks that spray and yet some of these same people are regular Church attendants; pray to their God in all earnestness, and immediately upon leaving their church proceed to do all the dirt they can.

If the education of our young America today were confined to teaching nothing but the harm of Slanderous and Vilifying Tongues, a purpose would be accomplished that would be far reaching.

Whispering Campaigns would be entirely eliminated. A man's Character, until proven otherwise, would stand where he say fit to place it; homes would be happier; the divorce Courts not cluttered up.

Immediately after dinner that Saturday noon my premonition of the morning became a reality; depositors came to us with their certificates; with their Savings Pass Books and with their Check Books. Every customer seemed to have an insane desire to have his money.

We paid it out graciously, trying to be pleasant in the face of adversity, and kept paying until 4 o'clock, our usual closing time. Having a nice bunch of currency still on hand we decided to remain open a half hour longer to give more of them an opportunity to come in and get their money in case they wished to have it.

I might write pages and pages of individual cases of that particular afternoon, but shall write but a few.

An aged lady having \$1500.00 on time certificate of deposit wished to have her money; it was paid to her by one of the boys and she proceeded back to the Safety Deposit Vault. I followed immediately behind. Saw that she was about to place the funds in the box, and walking up to her said "My dear lady," we're not allowing anyone to place currency in this vault. You feel we are responsible for their contents and we feel a reasonable responsibility in that respect and therefor refuse to allow you to put your money in there". "What will I do with it" she said. "Well it's your money, do with it as you please, it's your money" I stated. "You might take it home with you" I added. "Oh! I wouldn't do that" she replied, "I'd be afraid to do that". "Well that's immaterial to us, you do as you wish with it," I replied. "Here" she said "you save it for me" handing me the currency. 'If you give it to me I'll put it right back into the bank' was my reply. "If you do that I might just as well put it myself" she stated, handing me the currency and asked me to write another time certificate for 6 months which I did.

And there was the bird who was hard boiled, cute, you know. That is he just thought he was. Among the currency handed him for his \$500.00 Certificate of Deposit was a \$20 Gold Certificate. He threw it back and said "I don't want that damn dirty yellow

money, I don't believe it's any good." Of course, the assistant handed him two silver certificates, and I leave it to you, which was worth the most?

Then again, there was the dame who handed in a Savings Book with a balance of \$4.38 and asked to have the money. It was paid to her, and about 30 minutes later she returned and said we forgot to pay her interest. Promptly the interest was computed. It was found to be 6 cents. It was paid to her. For hadn't she walked back 5 blocks to the bank to get it? You bet, there was an account 100 per cent liquidated.

Another bird came running in, all wild, excited and out of breath. Probably he thought he would miss getting in before we closed, for it was about 4 o'clock when he called. He dragged a check book out of his pocket and said "What's my balance in this bank?" Whereupon one of the boys walked back to the individual ledger, took a look at the account, returned to the window, and advised him he was overdrawn \$12.80. He seemed very much surprised, started placing the check book back into his pocket, and that was about the last straw for me. I walked around into the lobby and here's verbatim what I said "You son-of- a-b now you clear up that overdraft before you leave this bank, or you'll get the damest beating you ever got in your life. It's a lot of shi-teels like you that are making it tough for us today." He countered or rather tried to counter with an alibi but I would not accept it, and still in-

sisted he would have to clean up the overdraft before I would let him leave the bank. He dug up two ten dollar bills, covered the overdraft, and took the balance due him in change. That guy later carried a very fine account, and I don't believe ever went to the red side of the ledger after that, maintaining an account with us, up to the date of our closing.

The evening of that run, I sat in the Apartment occupied by my family and I, sitting near the window, slightly raised, taking in the conversations and here's about what I heard for almost two hours:

"Gee, I don't see how that bank can stand it."

"My gosh! everybody's drawing their money out".

"You wait till Monday. it'll be dam tough on them".

"I wouldn't give you a nickel for that bank right now, they'll never stand it".

"I don't see how the devil they hold out".

And many, many like statements until I was almost insane. You know, I'd been much better off, had I gone to the rear of the apartment and read a slushy story or something of that kind, but naturally I wanted to know what they thought of our bank, and stuck around the window, and believe me they didn't think much of us.

I didn't sleep at all that night, trying to figure ways and means to combat the situation. I took the wife into my confidence; went to Church the following morning, and during the dinner hour called

the Cashier of one of Dubuque's banks, and was told I could have the currency they had in their safe; every bit of it; that they could get a fresh supply later Monday morning from some other bank in their town. He gave me an idea of about how much they had in the safe and I felt it wouldn't last until 10 o'clock, based upon what I had heard the previous night.

Friend wife suggested I telephone my friend Martin Newcomer of the Cedar Rapids National Bank, an old and dear friend of mine, which I promptly did. After telling him of our trouble he advised he had heard so on the street the night before in Cedar Rapids.

Oh! yes, adverse bank talk travels like the wind. He asked about how much I thought we needed. I replied "I wish to God I knew myself". He agreed to bring a good liberal supply, enough to knock them dead, as he put it, but stated he could not get into their safe until 8;30 the following morning and that he could not reach here before 11;30. That was fine and dandy with me, for I could be down from Dubuque early the following morning and probably hold the wolves off until Newcomer could get here with the Currency.

That Sunday afternoon we drove to Dubuque, the wife, Bob and I, and took in a show at the Majestic. You can appreciate how much kick I got out of the Show.

The next morning at 7 o'clock I was at the Dubuque bank door, awaiting the coming of someone to give me the Cash. Shortly he came, opened the bank and the Vault, worked the combination on the safe, but it wouldn't open. The time clock hadn't run down. I was almost beside myself with fear, when upon a fourth attempt the tumblers did fall and the door of the safe opened. All of their currency was crowded into my traveling bag, and away I flew to Bellevue. I'm using the word "flew" for that's virtually what I did. I drove from the corner of 4th and Main at Dubuque that morning to the front of our bank in 32 minutes, and if you but knew the typography of the country around this territory you can appreciate how I pushed the machine. It was a Studebaker and any Studie owner knows they travel plenty fast when you push on the accelerator. Three different times I almost wrecked myself, but overlooked all that; I was anxious to get to the bank before the boys run out of money.

Eldred Graaff, my first assistant had returned from Maquoketa, where he had obtained some currency, not however, without being turned down by an officer of one of their banks. He said he couldn't spare any currency. Eldred went to another Bank.

Ye Gods! even the bankers were losing confidence in themselves, could I blame the public? Between the currency pitched into the safe and the funds Eldred had obtained from another Maquoketa Bank I felt we could handle them until noon.

The boys were busy with many folks in the lobby, when I arrived. Of course everybody was after their dough and they were getting it too. We continued paying out, altho many of our broad minded merchants called, made their regular deposits and tried to allay the fear possessed by many people; telling the person next to him that he was a fool to take his money, but the person wasn't understanding English at that particular time and in many cases took his money just the same.

Right now I have in mind a Doctor who called and made three deposits within two hours; he was carrying more than a few checks and a little currency to the bank; he was carrying Good Will, which was our biggest asset (excepting the cash ofcourse) at that time.

Things went along like that until we commenced getting a little low on cash, too damlow for comfort, when in blows a big touring car, finding parking space at a premium, stopped in the middle of the street. Three big huskies jumped out, Mr. Newcomer, and Mr. Renberg of Cedar Rapids as well as a U. S. Marshall, who accompanied the men with a big shot gun or two. The boys brought the currency in; dumped it on the counter; I went to pieces physically, for a few minutes only, and you believe me, if ever I was glad to see good old United States Currency of the Realm, it was that morning about 11:30.

The bank was full of people; Newcomer asked whether that would be enough. I replied that I hoped so. He said "If you need more, Leo, just say so and I'll telephone back to the bank and have them bring another load". Just like that.

That bank nor any other bank wouldn't bring such a shipment, hadn't we the backing to back it up. And just like that the run stopped. A veritable parade followed for the next hours; everybody wanted to see the big pile of money and you believe me it was a pile.

That night the boys balanced the cash \$60,000.00 short. Where was it? I'd placed it in the front metal waste basket, and after walking up, dumped the contents on the floor.

Placing it in the waste basket was a precaution I took, unknown to anyone of the force. Since the news of the run had traveled as far as Cedar Rapids the Saturday night before, couldn't the news of our having oodles of currency travel just as fast? And wouldn't it be pickings for some hold-up crowd?

To meet such a situation I had deposited in the waste basket, so we could continue doing business (paying out) just the same after the hold-up.

When we had the Cash we didn't need it. You all know what would have happened if we hadn't had it. The following morning we received a large shipment from the Federal Reserve Bank of Chicago, of which we were a member, and then had so much currency we didn't know what to do with it.

I hired two watchmen, stationed at two different places close to the bank, and took every precaution possible. Our receipts of currency during the day from regular business were heavy. (You see, we put a lot of Jack into circulation the last day or so).

We were happy; we'd weathered the storm, and commenced shipping out the lucre as quickly as possible. We shipped it out in Flour sacks and thanked God we were alive and happy once more.

And yet, in the face of all that, there was the dirty little skunk getting in his dirty work; the silent campaigner conducting a Whispering Campaign and to the date of our closing February 14th 1928, that dirty campaign continued.

What was there to do on the inside against such a campaign? You just had to eat it and eat it. I've had most every kind of an experience in the banking business, some that bankers in business for 50 years have never had, and if there is a banker can tell me how such a situation could have been met, I would appreciate him advising me. While I'm out of the business for good, yet to satisfy myself I would be glad to have the advice.

From that time and up to our closing depositors seemed just a bit askance about re-depositing, advising the lad waiting on him about having heard this or that, and in 90 per cent of these cases, the report was nothing but the bunk, at times a matter in which we had absolutely no interest whatsoever.

Yes boys, it's mighty hard row to hoe when the depositor in handing in his certificate looks at you with a question mark in the pupil of each eye, wondering whether you're going to be here 6 months from now, or gone south with all the money; whether you're in good shape or not; whether he should renew the certificate or take the money. But when the handle of the hoe breaks, your nerve gives out and you feel life isn't worth living, give it up boys, you might just as well.

CHAPTER XIII.

Immediately following the closing of the second institution the firm of Horchester and Hughie made an assignment for the benefit of their creditors. That was the Hughie previously referred to, who was supposed to be as good as a Government Bond. Subsequent developments proved my previous contentions. (Loss to their investors over half a million.)

Up to the time of their making this assignment this writer had collected continuously from this line and its co-interests.

Just now comes to my mind the last collection of \$4000. I made from them. In opening the mails one morning I noticed a sight draft of \$4000.00 drawn on them, got on the telephone, called Mr. Hughie and advised him of having a collection of \$4000.00 against them, and would be glad to have him bring up a draft for the amount. About 11:30 that morning in walks Mr. Hughie with a draft drawn by one of the other banks in the amount of \$4000.00 drawn on a Chicago bank, handing it in without any comment, excepting "Good-morning". I had two notes of \$2000.00 each, renewed just about a month previous and handed him the two notes with the words "There you are".

He looked at them and replied "That isn't what I want to take up, I want the sight draft that's here". "Yes" I said. "but these notes are what I had in mind. We wont say anything about the interest, we're willing to forget that".

He stormed out in front, went and took the matter up, with the President again, but the collection I had made, stuck, and staid put.

About three that afternoon he called again with another draft of like amount by the same bank, and asked for the sight draft before handing in his second Chicago draft. Naturally, the sight drafts were handed him. After he left the bank, I called the Payee bank and got their Okey on the drafts. I felt he might have the drawer bank stop payment on either one or the other.

A few days after that event I tried to collect another portion of the line, upon which he was an endorser, but he said that they were crowded at that time and could not take it up. That was the last dime I was able to collect. The balance of the line was plenty small so it didn't worry us any. We just sat back, pleased we weren't holding the sack like we might have some years previous. We didn't even file a claim for our balance, for we felt there wasn't much of anything to be had anyway, which developments later showed to be the fact.

Let me add here DON'T EVER EXTEND CREDIT TO A MAN, MORE CREDIT TO HIS WIFE, MORE TO HIS BROTHER-IN-LAW, MORE TO HIS

FRIEND, when you know the proceeds of each and every note are going into the same coffers. That's a terrible practice.

Accommodation loans are the ruination of many an institution and the quicker those accommodation lines are removed from your bank the better condition you will be in. While your published statement does not reflect this condition, yet you know that it exists and that it should be eliminated.

It is an absolute fact that, while we did not file a claim in those receivership proceedings, you could not convince the public that we did not get rolled for a terrific amount, and upon that belief they started dragging more of their deposits away from our institution.

February 1st 1923 came along and the H. G. Johnson Piano Mfg Company advised they did not have the wherewith to pay the first semi-annual installment of their interest and would have to negotiate a loan for that purpose. (Fine Bond Issue. Wonderful.) Six months outstanding and no funds to meet the interest payment.

You see, the plot was thickening. No arrangements could be made to make the loan with us. Henry was up against it, when along comes an order from Ben Platt of Los Angeles for two car loads of pianos (at a price, ofcourse) which saved the day for the time being at least.

The interest on the outstanding bonds was paid,

and every bondholder was again proud of his investment, for wasn't the Company making a lot of money to be able to pay the interest on their outstanding bonded indebtedness? Sure, they must have been.

Right now I want to make a statement, broad as it may seem: "During that period of time, since the closing of the other institutions and for 6 months more we rendered a real service to the community, a service that would be hard to match for any country bank". The real worth of our institution was not generally known to the folks of the community.

Many and many a night I sat in my little back room, devising means to keep the good ship afloat; keeping this fellow or that from making an assignment for the benefit of their creditors; several of the boys came to me with the expressed purpose of so doing, and I would do my best to prevent them, advising that once such a campaign was on, nothing would stop it, and our whole community would go to pot. Didn't I talk a blue streak to prevent such a condition, and many of you bankers know what the result of such a condition would have been.

Some of you have had such a condition to contend with. A condition that wrecks havoc where some shyster lawyer recommends it. I am going to say more later about a Shyster lawyer.

At that particular time many a farmer came to me, a farmer who had carried his account at one

of the other institutions, with a story of hard luck, telling me about the going being tough for him and asking me what I could suggest? Naturally I gave him the best advice I could, and helped him financially, over the hump as it were: was the good Samaritan, and glad to be of service.

Didn't I talk the matter over thoroly with her who had her all down below; who didn't have enough money to pay for a ton of coal; who seemed on the verge of being rash? You bet I did, and you believe me I never lost a dollar of money so loaned, for in time I was able to get the son or the daughter or some other relative to come to her rescue.

At that time we were a real service, altho I do not wish to infer that such service was not maintained at all times since.

Taking care of the entire community and trying to bring the chaotic condition back to normal, taxed our resources to the utmost, not only financially but mentally as well, with the result that shortly people were in a better frame of mind, and returned to their former selves.

All sorts of yarns were heard about this fellow or that, about this fellow running away with a lot of money; about this fellow having a house full of it, etc, etc. Just now comes to my mind the fellow who called on me one morning and said he was up against it, having lost his money in one of the closed banks. He told me he had to have \$400.00 — that that was the amount he had tied up there.

I knew who the depositors and borrowers down there were, for I had a schedule of their entire business on my desk. I listened to the applicant for a loan for a few minutes, tried to console him a little, and he really felt I was falling for his story, whereupon I said "I'll tell you what I'll do. If you can show me where you lost that amount in either bank, I'll give you four hundred dollars in cash; you won't even have to sign a note for it, and you needn't ever pay it back either. It'll be a donation".

I said it with more or less emphasis and his only retort was "Well, I guess you and I can't do business" to which I agreed and walked around the counter to work, he leaving the bank promptly. That's another of the stories you heard, stories, yes stories, for that's all they were.

Immediately after the closing of the first institution, a merchant of our town (who I had been soliciting for a checking account for 3 years came scurrying into the bank one day and says "Lee, here I am and I'm going to stay".

Naturally I was glad to have him open a checking account, and so told him. For some years we had been loaning him funds, various amounts, sometimes as high as ten grand. As a credit risk he was perfectly good. He was a good merchant and we were glad to let him use our funds, even tho' he did not see fit to check on us. His banking connections were no more; I told him I would be glad to advance

additional funds to assist him in doing business, which I did. In all sincerity he advised me he was for me first, last and always. It made me feel awfully good to have him with us; he was a good man; an ardent supporter of the Commercial Club and a good Civic Booster, he carried a nice account and the boys and I were happy to have him.

Among the names of the Board of Directors of the new bank, organized a little later, was this same merchant.

The bank opened for business and the above merchant commenced depositing at his bank.

Some days later he called on me and asked me to renew a note he owed us, which was due on that date.

You bankers have heard of cases of pure unadulterated guts. Can you match that? I've been cussed and discussed, kicked around, taken advantage of, and all that, but such a case seemed like the last straw.

While he was at the window I advised my apparent staunch friend, that his connections with this bird were at an end; that we didn't only want the note due today paid, but every other note of his we had in the case. I got rough; who wouldn't? The result was that he dug up the funds, paid us all and done just a little retaliating, if you wish to call it that.

He was an ardent booster for his institution, and should be. But boosting at the other fellows ex-

pense isn't right, is it? Is it proper to boost, and in the same breath knock competition? I leave it to you. Wasn't there enough gossip rife locally without having a director help feed the flames? Didn't the Cashier of that place telephone the writer his sympathies just a few days ago, advising at that time, that he had always cautioned his directors not to talk like that? If they hadn't been talking, what was the purpose or necessity of advising them along that line?

YOU CAN'T RUN A BANK AGAINST BLAH,
BLAH, BLAH.

That same winter upon returning from Maquoketa I had the misfortune of driving over the edge of a precipice at the top of Baker Hill (that Jackson County Road bone of contention). The new Primary Road was in the process of construction; a large hill was being cut down. The fill was commenced from the top. The night was dark, the car lights muddy, and I could discern two tracks, either of which I felt justified in taking. I took the one to the left, which developed to be the tracks taken by the trucks that hauled the dirt for the fill. Driving slowly (unsual) I felt my way, when suddenly the front of the machine dropped, and the car hung over the crest, which had frozen solid during the early evening. The abrupt break in the hill led straight down about 60 feet. This experience was

related to a friend of mine the following day, when along comes one of our little country papers with the headline:

SCHMITT ALMOST GOES INTO HANDS OF
RECEIVERS.

adding their story.

What the purpose of the editor in writing up the article in that manner was, I have never learned. But the very next day when a Luxemburger called and wanted his money because he said he heard I was going into Receivers, I realized what the article meant to us. While but a few depositors took that view of it, yet that article did serve to feed the flames, and my firm belief is that newspaper publicity giving the banking situation a black eye, from time to time, should be suppressed. Conditions at that time were bad enough and I'd venture to say that every reader of every Iowa newspaper knew of those conditions, and it wasn't necessary to re-broadcast, as it were. Ofcourse, people want news, but what's the use of furnishing news after everybody knows all about it anyway?

CHAPTER XIV.

Another March 1st came and again we were busy as bees, altho more of our time was spent that day paying out good coin of the realm. Some of our depositors even advised they were going to take it to the other bank; that they had heard considerable about this bank and that while they hated to take the money, yet they felt they would do so. We paid it to them, in the hopes that at some future date they would see their way clear to again patronize us.

On August first the second semi-annual installment of interest was maturing; the Company without funds to meet the issue. I recall, the President of the Company calling Ben Platt at Los Angeles, by long distance from his home, selling him several car loads with the result that ample funds would be on hand to meet the issue, and again the President called on the Commercial Club with the statement that the business was growing by leaps and bounds; that additional Capital was required and that Ben Platt had been his meal ticket for a long time, and that it was up to the local committee to get busy in order to keep the plant in Bellevue, for was not another of Iowa's industrious towns flirting with the company with a view to getting them to come

down there? and hadn't Henry told them that in case they raised \$100,000.00 he would put in a plant down there too? That he could handle both plants as easily as one?

Ofcourse the boys went to work; sold many of the bonds, but their efforts did not meet with the success their previous attempt did.

What was poor old Henry to do? He made a personal trip around the country, picked up a large amount of orders, purely on his own personality, and again the business of the factory went merrily on. Pay days would come and Henry would have to have some money. We would discount a sufficient amount of prime paper to allow the pay roll to be met, and then have some of the employees turn right around and knock our institution when as a matter of fact, they would have been thrown out of a job that very night, had it not been for our coming to the assistance of the Company.

You bet, the old saying "Ingratitude is the world's reward" certainly was true there. I would meet an employee knowing some of the statements he had made and feel like I should take the matter up with the President, with a view to 'getting' his job, which I could easily have done, but my spirit never has been one of retaliation. My constitution was so made up that I could overlook many and many such statements, for hadn't I been overlooking a good many of them for years? Wouldn't I go to dances; to parties; apparently have as good a time as any-

one, and at the same time worry about this or that?

Again I say my nerve staid with me. Hardly a person could discern that I was anything but happy, but God knows I was anything but that.

Business at the Factory that summer went along swimmingly. Much trade paper was being taken in payment of their merchandise, and we being the bank used by the Company (*avored with the account you know*) discounted much of their Trade paper. We had previously subscribed to R. G. Dun's, looked up the ratings of each and every piece of Trade paper offered us, discounted what was good, until such discounted paper reached a total that was at times alarming to us, altho the makers seemed to pay on presentation, outside of a very few who allowed theirs to go to protest. The company always took care of their returned protested items and the line was kept clean and alive at all times. It was a nice profitable business for us.

Henry and I had many a conference during those times; daily he would come down to the bank and advise me of various orders he had received, and that with continued demand for pianos his business was bound to grow by leaps and bounds. He spoke of Roy Waite of Chicago, whom I later had the pleasure of meeting; a pleasure I can frankly say was actual, for to me, Roy represented one of the most affable agreeable personages I knew; possessing a personality to be envied. Talking with

him was not a verbal contest, as is often the case, but a mutual exchange of ideas.

Henry spoke of how Montgomery Ward had financed him for some \$30,000.00 in opening the Bellevue Factory; of their confidence in his ability as a manufacturer; of his shipments of pianos to them from time to time, and they were getting a little incensed about the quality of the merchandise, and preferred having their funds returned. What was poor Henry to do; money couldn't be picked up on the streets and neither could it be fished out of the Mississippi, adjoining which the Piano Factory buildings were located? Under the circumstances Henry believed they might be induced to take merchandise, pianos, for the balance due them, so immediately a trip to Chicago was made.

Yes, they would settle upon that basis, I was told upon Henry's return. Bill Angsbach was foreman at the plant; had orders to take care of the Chicago Company's inspector, whom they had sent out to inspect the pianos before shipments were to be made. He sure took care of him; hauled him home once or twice in quite a helpless condition, probably due to some Luxemburger manufactured liquid.

One day Henry called apparently happy and care-free, for hadn't the complete settlement with Montgomery Ward been made, and didn't he have that obligation out of the way, and didn't he tell me that he wondered whether the varnish was still on the pianos he had shipped some weeks ago. Yes sir,

many a time Henry came to me with his troubles also, and he had plenty of them. Henry possessed that quality termed personal touch. He'd touch me for a loan every time he thought I was feeling pretty good.

The time came when I took the matter up with Henry advising that the line of discounted paper was too large; that he would have to look elsewhere for a connection, probably discounting at the other bank in the town. They refused to assist however, and would discount nothing for the company, with the result that our lines were increased to a larger total. We were trying to co-operate; be an asset to our community; for the Piano factory meant much to the town that year, employing some 170 people.

Fall came, and some of the boys who we had financed in the past, some farmers who had been hard up a number of years; held propped up by our bank, saw fit to make a change, after paying their note with us from the proceeds of their hog sale. You bet boys, I was getting repaid for my services to that bird, extended to him at some previous time when our institution meant almost life and death to him. You bankers know that's the kind of treatment you generally get. Get hard boiled. Don't give anyone your money unless they can cover twice over. They'll appreciate it more and will do a good turn for you sometime, whereas on the other hand if you stretch a point, you'll pay yourself later on.

The Bank examiners called during October of that year, the boys being Fuller of the State Department and Olmsted of the Fed. You see, we always got a double examination.

You boys that are State bankers and belong to the Fed, know. It means rummaging thru your stuff twice instead of only once. Putting this or that back into the file and than a few hours later having the other examiner call for it, and being compelled to dig it up again. Now and then you have a misplaced instrument; you look into every nock and corner, it doesn't seem to be in the proper file and they look at you like you might have some purpose in holding out on them. We had a very stringent examination. Fuller got tough. The tougher he got the madder I got, until he mostly took the heart out of me. I staid with him tho' until the completion of the examination, whereupon he called the directors as they usually do. He got hard boiled with them too, and demanded that they replace certain assets with their own note, advising that in his opinion, the time was not opportune to levy an assessment, and that the privilege of making an assessment at a later date be accorded them.

He had the boys filled with fear and foreboding, made the above agreement with them and had them sign up such a note. Right here let me say to you bankers:

DO NOT ALLOW YOU DIRECTORS TO EVER SIGN SUCH A NOTE IN YOUR BANK. Rather

then have them to do so, levy your assessment at once or lock up the house. Those dam directors notes have since resulted in breaking up homes, bringing otherwise normal men almost to an insane stage, and causing an untold amount of additional grief. For why, why under God's sun should a director of a bank, who owns but a very few shares of the stock, sign such a note, when he is getting absolutely nothing for it?

Ofcourse, he feels at that particular moment that he does not want the examiner to lock up his bank; he has too much pride in it; and on the spur of the moment signs it up. The examiner walks out feeling happy; feeling he has accomplished much good for the depositors of that bank, when as a matter of fact, they have brought a lot of worry upon the Board and officers of the institution as well.

Naturally the Board of Directors want to cooperate with the State Banking Department; are filled with fear of the Department, and under Duress would sign most anything; when more mature thought would prevent them from signing.

You bankers have enough of grief with your depositors and borrowers without being saddled with additional grief, and nine times out of ten it shoots the morale of the Board. If you do not have such a note in your case, don't for land sakes allow one to enter it. From that date to the closing of our bank I can say, without any spirit of egotism

that my indomitable spirit was the biggest factor in keeping our institution open.

The paper taken out at the time of that examination was worked on diligently by the Board and myself and about 20 per cent collected, the balance being held in the hope that a much better additional percentage will be paid.

CHAPTER XV.

You bankers recall a few years ago when you had a case full of first farm mortgages; you were slapped on the back and told you were a fine, a good banker; the last few years if the same condition obtained you very considered anything else but.

What good were the farm mortgages? they weren't liquid; get them out of the way and carry more liquid paper buy bonds that's what you ought to have, so the examiners would tell you. You have probably had the same bond experience I have previously mentioned, selling at a loss, and were not so keen to get back into the bond market again.

Yes, sir, men you're a darn fool if you do, and you're the same thing if you don't. Some years ago you were considered a conservative, clever banker for having those mortgages, for what better investment was there than an Iowa Farm Mortgage? Later you found out that the more of them you had the tougher the going was and the more 'ell the Examiner gave you. It's easy enough to have them come around and tell you where to get off at; ask you whether you are trying to own all the real estate in the County? Had you known conditions

such as came were coming, you would have had one of the most liquid banks in the world, you didn't know it and neither did they, nor anyone else, for didn't the big boys in the east continually harp about being on a higher plan, a basis that the dear public would never recede from? Didn't every big man with the live stock industry claim that the prices were going to stay up; that hogs and cattle would never go down to where they were before the war? Hadn't hogs been up sky high; weren't cattle bringing big money and wouldn't they continue to do so? What reason under the sun was there that they should go down? Why, the public, again the dear public, wouldn't stand for it. We believed that dope when it was peddled; so did I and so did everybody else, including the examiners. Why not?

What came next? Somebody told you after it was all over with, that you should have known better when that same bird didn't know anymore about it than you did. You bet, the slump was here; the boys were falling by the way-side; things were getting tougher and tougher.

The boys who some years previous had signed their names to this or that promotion note were pretty sick of the bell; for hadn't they heard that the Company in which their wonderful investment had been made was going to pot, and would they under such circumstances want to pay their note? They would not. Ofcourse, and promptly proceeded to interview an attorney as to their standing in a

Court of Equity. The advice handed them by their attorney was in their favor naturally. Here I sat with a flock of them still unpaid, being compelled to fight not only the maker of the note, but his attorney as well. I couldn't go into Court with clean skirts, I was told, for hadn't the stock-salesman been the Cashier of the Bank, in many cases, which now sought to sue on the notes? That was the truth and there was no getting around it. Try and effect the best compromise settlement I could, was the only thing to be done; again charging some unpaid balance to the Undivided Profits Account, which at that time had dwindled down to where it could no longer stand a reasonable charge.

Many and many a night I would retire, lay there and think about this bird and that, worry along for him and wonder what the result was going to be, trying to devise ways and means to combat the situation, knowing all the time that the law was against me to start with.

✓ I had a personal interview with many a borrower, made a compromise settlement with him, and then have him turn around later and take the position that he did not legitimately owe the debt, himself being involved to the extent where it was impossible for him to do anything, in some cases taking bankruptcy.

There I sat with my compromise settlement, one that I thought at the time it was made would work out, and here she was, refusing to work at all.

Probably a little cash and more paper, trying to co-operate with him so that at a later date he could pay us.

The general public of course knew not su much about these cases, but from time to time stories would come to me about this or that; stories that were absolutely untrue, in some cases being about matters in which we had no interest whatever. Yet Gossip was rife, and folks talked about many things we had no interest in at all, making the going harder and harder. Many a time I thought how far off they were in their contentions.

It is a positive fact that many things did exist that were adverse to us. The Public didn't talk about that tho'; they talked about many things in which we had no financial interest.

It was during this time I got into the liquor business, at least so I shall name it. You see the Country was DRY. Primarily I was a banker, a Cashier, but as you know bankers often get into a line of business they least expect. Some borrower puts you into it, and you try to work it out to save your interest, and in that manner get a varied experience. This business was brought about by our loaning some funds to two men who were going to make a fortune out of the business; men who had ten grand on deposit with us sometime prior to that; men who had made almost 100 grand prior to the taking effect of the Volstead Act. They had been good depositors of our bank; why shouldn't we

extend them a reasonable line of credit? Hadn't they shown ability to make money for themselves? And wasn't it safe to assume they could do so again? The loan was made. They started to work. Were incorporated under the Illinois Law. Among their assets was much machinery, bottles, and bottle washers, cappers and hundreds of other articles including a U. S. Government Permit, calling for 1000 gallons of alcohol and 3000 gallons of wine of every period. It was ofcourse understood that the alcoholic end of it was to be used in the manufacturing of soft drinks, ladies cosmetics, etc, when as a matter of fact I later discovered that the men were diverting it to illegal channels.

They commenced business, advised me from time to time that they were doing well. In a short time however, they did not seem to give their correspondence the attention it should have received, and becoming a little alarmed about the line I decided to go and make an investigation; you see, they were not replying to my letters; they didn't pay much attention to me it seemed. I made an investigation of the plant (*Investigations were becoming the order of the day already in 1923, and have shown much improvement since; note Washington reports*) and found an air of no business around the place; it didn't look prosperous to me. I talked the matter over with two of the men (*the company had three stockholders only*) and insisted they give us a chattel mortgage on the contents of a building they were

renting, which covered the machinery and equipment together with a liberal supply of wines.

A new note and chattel was made up at the time. I returned to the bank feeling I would get the loan paid at maturity.

Maturity came but no payment. Again I made the trip, talked the matter over with the boys and they decided to lock up the joint and go out of business. In the event they would do that I advised them I would have to foreclosure under the Chattel Mortgage, which I proceeded to do.

The Sheriff sold the property at Sheriff sale. I bid it in for our own protection and there I was with a lot of liquor, and didn't know what to do with it. I knew a little of something about many things in a general way, but there was a business I didn't know a thing about.

I hadn't been patronizing the hip-flask specialists, you see. I had considerable respect for the Prohibition officers of this dear old United States prior to that time, but since then — well, I'd rather say no more about it.

There I was with 1728 gallons of sherry wine, 257 cases of claret (don't some of you fellows envy me) a lot of machinery and equipment, and what was I going to do with it?

I made a thoro inspection of the premises, discovered that the Government permit had expired and would have to be renewed. There I was with the assets of the Company my property, which

assets I left in the custody of the Village Marshal, in the same building.

The Company had \$30,000.00 of Capital Stock outstanding, and where was the stock? The Capital Stock I mean. Upon an investigation I ascertained that it was held at two places for loans negotiated by two of the individual owners of the Company. Ofcourse it didn't make any difference to me where it was. I wasn't interested in that, I had good title to the merchandise and had possession of it, so why should I worry about such a little thing as the Capital Stock?

Immediately I got busy trying to interest someone in the business, necessitating many a trip to the Windy City interviewing prospects. I finally landed two men and sold them the business for twenty grand, after they had made an inspection of the premises. I told them of the expiration of the permit, but assured them a renewal would be obtained for the company, and agreed to furnish such renewal when delivering them title, upon final payment.

Now then, I was a banker and didn't want to be known as being in a liquor business. I could get the permit personally, but felt getting a renewal in behalf of the Corporation to whom it was originally issued, would be better. Again I made another trip to the Windy City and returning felt it could be handled according to my plan.

Now then in order to get the permit issued in

behalf of the corporation I must of necessity have control of the Capital Stock, so then the next job was to get hold of those stock certificates so I could control the entire situation. One of the three stockholders of the company insisted upon a big price for his holdings, which I refused to pay, advising him that I would get the permit in my own name, personally, before I would stand for being bled out of a lot of money. It was a fact that I had made an excellent sale of the property for considerable more than twice our interest in it, and could well afford to buy this stock in, provided I could buy it very cheap. After dickering with him a few days I bought it, I believe, for \$500.00 for his third interest. Promptly, I proceeded to a banker who had made a personal loan to one of the owners, told him the situation; that his stock certificate wasn't worth the paper it was written on and that I had ownership of all the assets, etc. He turned blue in the face (*you see, he hadn't heard anything about that Sheriff's sale. His was an Outside Loan*) and asked me just what I intended to do with the stock if he did sell it to me. I advised him I was willing to pay a small price for it, just to get matters amicably settled and offered him \$250.00 for what he had in his collateral file, (*which represented one-third of the Capital Stock of the Company*). Now his face turned red and he got pretty hot, and yet he was glad to get the money, for after the word picture I had painted for him, I believe I could have

bought it for \$2.50, but since I made a very good sale, I wanted to be somewhere near fair with him and was. That gave me ownership of two thirds of the Capital Stock, you see I was getting control pretty fast.

I returned home and telephoned another banker, explained the situation to him, and offered him a like amount for his. He only stuttered, for I couldn't see the expression on his face. Believe me, he was glad to accept. Said he would mail the stock certificates in the morning, which he did, for the next day they arrived and our remittance for the agreed amount was promptly sent him.

All there remained for me to do was to get the permit renewed and deliver the company to the purchaser. Again I went to the Windy City representing the whole company, for didn't I have the assets with good title, and didn't I have each and every outstanding certificate of stock?

The new permit was obtained, but not without spending the price of a good many suits of clothes. I never did find out who wore out the clothes, I was not interested in that. My only interest was to get the deal closed and off our hands.

About that time the Examiner called again. It took me almost an hour to explain this situation to them and they wondered whether they should not make an inspection of the property that evening. I believe yet, it wasn't the inspection they were interested in.

I was asked whether I had any of the merchandise around the place, to which I replied "I have not" that I was removing nothing from the premises, for as a matter of fact, the situation seemed so delicate to me that I was half afraid of it; for didn't the prohibition forces have a thoro inventory of this merchandise? Wasn't I afraid to remove even a quart for fear it would show up as missing when another inspection was made? Yes boys, I said inspection. You know sometimes an inspection is just that and sometimes it's something else again. When any shortage appeared it was 'leakage' if you know what leakage meant. The Sherry was in first class barrels; had been in there I supposed, for a long time and I wondered whether barrels leak when in that shape? Anyway the examiner wished me luck with the deal and the contents of the plant remained intact.

For some reason, to this day unexplained, the new purchasers did not see fit to come thru with the deal.

He had given me a check of \$500.00 postdated two weeks, stating at the time he gave me the check that he thought it would take about that long to get the new Permit thru, which was entirely agreeable to me.

Since I used that amount to pay in the form of a commission to another party who was assisting me in the sale of the property, I felt that the \$500.00 should be retained, as a forfeit, as it were, and so

advised the maker, which seemed agreeable to him.

The check was cashed on the proper date, and some five days later was returned with the notation "Payment Stopped", and was charged back to our account by our Chicago Correspondent. Right then and there I should have refused to allow the charge to stand against the account, for it seemed, to me, dilatory on the part of our correspondent to accept the return of the check and charge it to our account 5 days after they had received the check from us. Without question, the day the check was received by them it was cleared thru the Clearing House, and I sincerely believe paid by the drawee bank, who some days later no doubt discovered the stop-pay order against the particular check, took a chance on sending it back, and got away with it with our correspondent. (You bet, some of them advertise service too, and sometimes that's what you get). Rather than take exception to the charge however, and probably cause them a little embarrassment, I allowed the back-charge to stand, in the hope I could collect from the maker of the check, knowing him to be good for the amount.

The check was ordered handed to the attorney for our correspondent bank—for some reason, yet unexplained he could not get service on the maker of the check, various bailiffs advising of their inability to locate the maker. I knew the maker personally, knew where his manufacturing plant was and had his home address as well, and here

reports came in from time to time that the Bailiffs could not get service. I wondered whether they were trying. I concluded the best thing to be done was to take the case away from the attorney handling the matter and turn it over to a lawyer that I could depend on. I did. Service was obtained on the maker of the check. The case was put up for trial. My allegations were all denied, later partially admitted and still later entirely admitted, but an answer filed by him that the deal had been misrepresented, etc. Why, I hadn't any idea as to the contents of the barrels, bottles, etc., and not being a judge of wine could not qualify as to the quality of the merchandise, but yet here was his defense to meet. After continuances a plenty, the case was called for trial. I attended, as a witness of course.

Five minutes prior to the calling of the case, I was called from the Court Chamber by a man, whom I had become acquainted with some years previous, and advised that I was up against a bad gang; that they wouldn't stop at anything; that they were a mean job; that they would get me if I insisted upon going ahead with the case.

For the moment only I had a bit of fear and upon looking my friend in the eye I countered with the words: "Listen, old man, if you think you can intimidate me, you're working on the wrong bird. Get me right, when I came here I didn't care much whether I won this case or not, but since you birds think it possible to scare me out, I'll show fight,

and if your gang wants to go out and get me, well and good". The case was called for trial.

I've hear liars, prevaricators and anything else you have a mind to call them, testify, but that case capped the climax. Some folks have a wonderful imagination and can lie faster than the average man can think. I got the Judgement, and upon the conclusion of the case, was offered a different kind of a case—and not a book-case either.

Yes siree, when you have to go out and collect them like that, you've got a job on your hands. I was beginning to feel that Heinz with his 57 varieties had nothing on me.

CHAPTER XVI.

Again I had to get busy and find another buyer, and again I went to the Windy City many times, and finally dealt with a young fellow and some of his crew, making the new sale upon a basis of twelve grand. The property was examined, the deal looked good to him and we closed. Payment was made in Cash. I went home, happy it was all over.

Two days later the new purchaser walked in, smiled graciously and asked to see me in the back room, so to the back room we retired. "Schmittty," he said, "you look like a square shooter to me, but you sure gave me a 'ell of a trimming."

"What do you mean," I asked.

"Why," said he, "half that stuff is diluted and I don't believe you'd stick me with anything like that would you?"

I told him I knew nothing of that part of it, that I hadn't punched in the bungs, and didn't know but the barrels were full of what they were supposed to be. I told him I would accompany him to the plant tho' and if he was correct I would be glad to be right with him as man to man.

There I was again. Thought I'd made a mighty sweet deal and here he was kicking back on me. I thought it would never end.

So to the plant we went, and sure enough his contention was correct. I did taste the contents of three or four bad barrels and it was not SO good. It seemed he had a professional taster with him and upon his judgement we relied to a certain extent, so after considerable sparring around, I returned three grand to him to square the matter and he kept the business. The condition of the barrels showed they had not been tampered with, so I knew and so did he, that the diluting had been done long before I had gotten title, so the merchandise wasn't as good as anticipated. However, I was glad to make the refund; glad to get away from all of it, so my energy might be confined to other channels; channels that needed energy just as much. 'Hadrn't I come out whole on the investment, and wasn't I glad to be able to do that? You bet I was.

It was while carrying on those negotiations that I was compelled to put up a bond of ten grand with a Chicago office, in connection with the permit. For some reason the permit was issued to the company, as it should have been, but the bond still required some minor changes, so I was handed the bond to have the necessary change made, carrying the permit and my own bond around in my brief case, when it should have been in Chicago. I believe I carried it some three weeks. Had I been so inclined I no doubt could have gotten away with murder in the meantime, perhaps that too, I don't know. In due time the bond was returned to the Chicago

office and everything was in fine shape, and the banking business went merrily on. Oh! yes, you mothers, do encourage your son to be a banker, but don't do it unless you know he will meet with more or less GRIEF.

While finding a buyer for the above I was served the only purely Italian dinner it was ever my pleasure to partake of. The eats were Italian; the water imported! the coffee likewise (thick like sorghum) and the water also. Everything was imported, including the dishes. I hobnobbed so much with them that I began feeling like a dago myself.

During the last examination above referred to I was compelled to put up with the boys at a time when business was so rushing that you hardly had time to think; everyone wanted to see you about something; talk to you about something else again, and at the same time I had to give the examiners a little time also. In desperation I finally turned to Fuller with the words:

"You fellows sure picked a 'ell of a fine time to come out and put on your party," to which he replied that they had to keep going and might as well be examining this bank as any other.

I couldn't see it quite that way, for weren't there many smaller banks in towns that didn't have a lot of curb-stone bankers, who where not rushed to death on the first of March where they could conduct their post-mortem? He couldn't see it my way, tho' and the examination went right along.

I might add here that the very fact of the examiners being present on that day done us a little harm. Everyone knew the bank examiners were here and everyone wondered why they were here at such a busy time and some of the customers thought there was a particular reason for their being here. You see, they'd heard a lot about the bank the last two years. It is true that many of the customers never get to see a bank examiner; they have a certain fear of them, and the fact of them showing up at that particular time when most of the bank's customers were around all of the day, could not by any manner or means be construed as lending confidence.

Many times I have thought since that with the Gossip rife here during those days, that such particular visit of the examiners served to feed the flames. It shouldn't have but it did. I convinced the boys, as I did every prior examination that this bank was showing constant improvement, and that we were in better shape today than three years prior, for wasn't much paper held by us in 1920 paid in full, and wasn't it true that if we had it today it wouldn't be worth 5 cents on the dollar. They agreed with me, but said "You still have a lot of it to get out of the way" to which I agreed but was willing to apply my energy to accomplish that purpose.

At that particular examination we had among the assets, certain commercial paper, among which

was a note of \$10,000.00 signed by a Packing Company, well known and reputed one of the best in America. After completing the examination Mr. Fuller stated that if our entire note case were made up of such paper as this we would be one of the very few 100 per cent banks in the country. That particular note matured about March 17th, was sent in for payment; was paid in full with interest, and three days later a prominent Chicago paper carried the head line that this Company had been placed in Receivership the day previous.

I thanked fortune that our note was paid in full, but could not help but recall the positive statement made by the examiner less than three weeks previous. I thanked fortune also that our entire note case was NOT made up of all of that kind of paper.

About that time it was hard to say whose note was good and whose wasn't. Today a firms note might be A number one but tomorrow would be another day again. When maturity came and you tried to collect you'd find out the borrower didn't have anything in his own name, not even the headache he was complaining of.

About the only fellow's note that still could be considered good was the street car conductors. His name was Rob Nickel. After he'd make about \$700,000.00 he gave the car back to the company, and when that time arrived it wasn't necessary for him to give a note anymore. He was honest at that, he gave the car back to the company.

Our local Oil promoter—I musn't overlook him—nothing seemed to bother him much excepting the law, and since we had an active legislator, introducing bill after bill (but none passing) why not take the matter up with him and have a few of the wild cat laws amended or stricked from the statutes entirely?

Yes sir, he was an artist, could paint a wonderful picture for you (he didn't paint in oil though), could make you rich overnight with his wells and gushers. Yes sir, oil—oil—and oil. Not cod liver oil though, that was too fishy for him to handle. He confined himself to real oil—gasoline and kerosene. The President of the company he was selling stock in was an ex-saloon keeper named Philip McCann. The Secretary was a former garbage collector named M. T. McCann.

He was a great believer in bananas, ate plenty of them to keep his avoidupois up, but he'd have nothing to do with banana oil.

He came in one day and told me some of the parties to whom he had sold stock in an oil well in South Dakota. I was a bit surprised for I didn't think nor know that South Dakota had anything in the line of oil, except possibly crotan. A mattress maker at Hot Springs owned \$10,000.00 worth of the stock. A cigar maker by the name of Butt owned some, and Butt's brother-in-law, N. O. Ash, also owned stock in the company, and would I be interested in taking on a few shares?

No sir, that's one damfool thing I never did do in my whole life.

He didn't sell a great deal. —

That spring I had occasion to call on a borrower and upon arriving at his office he was more or less under the influence of something, probably alcoholic. He offered me a drink of Gin, but having an aversion for it, I refused. He said he didn't like it either but was drinking it, because it was good for his wife's kidneys. That fellow paid his note that day. I honestly believe if it hadn't been for the Gin he might have thought otherwise. It is true that everything contained on this old Universe of ours serves some good purpose.

It was about that time I attended a meeting at Dubuque, a meeting that had to do with the ousting of an officer of a Company in which many folks had invested their money (myself included) called for the purpose of devising means to meet a situation that might be tragical. This particular officer had not been re-elected—the tin-can story applies—and thereupon proceeded to GET the man higher up.

Statements were made at that meeting by the oustee that he knew of the condition of the company before he'd been with them three months; and here he was talking to his friends three or four years later, immediately after his job was no-more, advising what MUST be done under the circumstances. The boys at the meeting felt that the matters should have been placed before them years

previous to which the counter statement was made that a number of years had been required to CATCH his man, and that now he had the goods on him, and all that. We poor stockholders sat around, many wondering what it was all about. After being advised by the oustee that as a credit man he would take his hat off to nobody, it was agreed by all present, to withdraw from the Company, and allow him to demonstrate his credit ability—leaving him choose such assets of the company as would be acceptable. All present of course, assumed that none but the very best assets of the company would be selected. You've heard the story about the fellow who was given a tin-bill and sent out among the chickens. The story fellow with the tin-bill did a good job, but we stockholders made the mistake of not furnishing the tin. We just furnished cash.

As I recall now, it was that same spring we sued the maker of a note, given in payment of a life insurance premium, which note had been previously discounted by ourselves.

The evidence showed us to be an innocent purchaser for value, what I assumed about the only prerequisite, for the note stated on its face that it had been given for life insurance.

The maker acknowledged signing it; put up the defense he THOUGHT he was signing an application only, and what did that Jury do but retire and bring in a verdict in favor of the maker? You bet,

you fellows have no doubt had plenty of Jury experience also. Give me the hard-boiled old Judge every time. Prospects of Justice before a Jury are sometimes NOT so good. This note was an OUTSIDE note. And again I want to say, let those OUTSIDE notes alone. While it's true that most of them may be good and will pay, yet the prospects for defense are apt to appear, which necessitates your going her or there to put up your case, in the event it may be necessary to sue. If you confine yourself to local paper, and a suit develops, it's easier and cheaper and carries less GRIEF.

Summer came and with it some good collections and more talk of the Pianos, bulls and lands. Many a conference I had with reference to all three, trying to work out ways and means to help all of them and indirectly to help ourselves. If the Bulls could have played the Piano, or Pianos fed to the Bulls, either one might have been a success. Additional feed was required to feed the bulls; not only were the heifers bully but also the piano business. I did not see my way clear to discount much additional paper, trying to get the trade paper I had out of the way as quickly as possible, and in justice to the salesmen of the company I admit he used good credit ability in that department for the paper was being retired regularly.

I'll never forget the time the Secretary of the Company came down one morning, a rather aged young lady, sometimes referred to as an old maid;

she had inherited some of the President's qualifications and insisted upon my doing something that morning, which I positively refused. She got pretty owley, whereupon I asked her to get out and she defiantly told me I wasn't co-operating with the best industry Bellevue had and many such things. I asked her to go back to her work, but she persisted in telling me many things along the same line, when I lost my temper and told her:

"If you had pants on I'd come out in the lobby and throw you out." After she walked out the boys asked me how I knew.

It was that summer I heard the story of the colored lady approaching the Teller's window of a bank with the words: "Ah want to deposit dese two ten dollah bills." The teller looked them over and returned them saying "Why, those are counterfeit, we can't give you credit for them." "Land sakes alive," she echoed, "Ah've been seduced." And she wasn't a Luxemburger either.

That same summer the banking business wasn't so monotonous, reminding me of the story of two colored boys meeting on the street, when the following conversation took place:

"Rastus, wills you explain to mah what monotonous means?"

"Why, Sambo, if you don't knows what monotonous means Ah'll tell you. When youse married tree times that's terrible—when you'se married

twice dat's bigamy, but when you'se only married once, that's monotonous."

No sir, the banking business wasn't monotonous.

It was my privilege that summer to enjoy a long conversation with a Palmist and Fortune Teller, one whom I had picked up at Cedar Rapids. He overheard my stating to the Clerk at the Hotel of driving to Dubuque that evening and promptly asked whether he might accompany me. I was very glad, of course, to have his company, to help break the monotony of driving alone.

He told me of the many, many foolish questions propounded to him nightly in his work, and I advised that he had nothing on me; that most every known question had been asked me by customers and friends.

After comparing notes we agreed that some of the following were the most common:

"When and whom should I marry?"

"Does my husband love anyone else?"

"Is my sweetheart true to me?"

"Will I win my lawsuit?"

"How soon can I expect to make a change?"

"Is Digman a good lawyer?"

"What should I do to get well?"

"Shall I dispose of my property or wait till I die?"

"For what do you think I am best adapted?"

"Shall I make a change in business?"

"How do you develop self-control?"

“When shall I get my wish?”

“Will my secret ever be known?”

He stated that to a question “ARE YOU IN TROUBLE?” he received 5000 inquiries, and why shouldn’t he? Didn’t he add to the question “Do you find with all your natural gifts and talents you are baffled, discouraged and unsuccessful? If so, write me, and I’ll tell you how to obtain Success, Joy and Happiness?”

The average country banker has to put up with many questions similar to the preceding; questions that to him don’t mean a thing; questions that people will persist in asking; questions that he is expected to answer intelligently, when all the time he don’t know one thing about many of them, but—doesn’t he sit there and listen attentively, and after the questioner gets thru hasn’t any more idea as to how he should answer than a jackrabbit. In the event tho’ he doesn’t answer promptly the customer thinks he’s a pretty dumb banker, for isn’t it his impression that the banker is there for every purpose under the sun?

Yes sir, isn’t the banker there to answer all the great questions of life; to solve them quickly; to turn failure to success; sorrow to joy; foes to friends, and assist the Great Creator in holding the Universe in Harmony? You bet your life, that is NOT why the banker is on the job. His job is to

take care of the banks finances and not to be compelled to sit for hours and hours, listening to one line of bunk after another. The Great Creator of the Universe never intended that the banker should be of that kind of Service. The Great Creator placed man on this earth to assist other men in making life worth living, and NOT to make their living for them.

CHAPTER XVII.

Just because the banker advertises:

“TURN OVER A NEW LEAF
AND SAVE SOME MONEY”

doesn't mean that he should be asked to turn the page for you.

Because he advertises:

“THE SPIRIT OF GIVING”

“Down thru the ages has come the spirit of giving which crystalizes more and more every year. The Spirit of Giving is the very foundation of the Policy of Service of this bank.”

Yes, just because he advertises in that manner doesn't mean that he should be expected to give you every kind of service under the sun, without charge.

Here's another one that advertises:

“AN EASTER MESSAGE”

“While happy in this joyous Springtime and its accompanying Easter Holiday, pause for a moment and look ahead into the future. It is fitting that we turn our thought to the betterment of both our Spiritual and Material Welfare. Prepare now. By putting aside a little each week.”

The reader reads the ad; he notes Spiritual and Material Welfare. He goes to his Minister for the former and where does he go for the latter? To his banker, of course. Didn't the banker advertise that he wanted the business?

“A STEP TOWARD FINANCIAL INDEPENDENCE”

“A safe investment is the logical step toward Financial independence, and it is of prime importance that the investor obtains securities of unquestionable strength.

“Better talk it over with us to-day, it may mean comfort and happiness.”

When the banker selected that one for the paper, he didn't stop to think of his own comfort and happiness. The customer read the ad, why sure, I'll go down to the banker and talk it over with him. Again you'd have possibly another pest on your hands for a few hours.

“ARE YOU PREPARED TO MEET OPPORTUNITY?”

“There is never but one opportunity of a kind, and in almost every instance it demands some sort of cash investment. Tomorrow’s opportunity lies in just how we use today. A Savings Account started today may be Tomorrow’s opportunity.

“The personal service of this bank extends to Savings Accounts.”

Wasn’t it the bankers’ idea to advertise for Savings Accounts, when he chose the above ad? Sure it was. But what did he get?

Bill Smith or John Jones came in one afternoon; told Mr. Banker they had an Opportunity to go into the Garage business. See? an Opportunity. Hadn’t the banker put the word into his mouth the night before when the paper was read? And John would advise he had this Opportunity and had \$150.00 besides, and would the banker help finance the business? That he could buy the Garage down the street, he thought for about \$2000.00 and that he thought he could make a lot of money at the business; that as a young fellow he had been mechanically inclined and that everybody told him he

should be a Garage Mechanic? Hadn't he been driving an old Ford around these hills, a 1911 model and that he was the only fellow that could make it work, and that that very fact was evidence that he would be a good mechanic (something like small town mechanics generally are)? You bet, he had an Opportunity to buy the place and would like to, if the banker helped him out. Here he was with one hundred and fifty bucks and a lot of ambition, trying to take on a two thousand dollar job, one that would require possibly another thousand in order to carry on the business, such as purchasing a little additional stock, and now and then put one of his accounts on the books. Oh! Yes, that expression "On the books." That same expression has put many a business on the rocks. But John, put in on the books. He wasn't getting the cash to put in his pocket and he did want to PUT, so he just put it on the books.

All arrangements were talked over; the entire afternoon spent with John and the Garage business, when in disgust you'd tell John you didn't believe there was much money in the business and that you didn't believe you wanted to help finance it. That you would be glad to do so if he could put up about a thousand or so, but that with less, you could not see your way clear to help him. Naturally, with all the ambition he had, he was a little down-hearted and left the bank feeling pretty bad.

Then he's go out on the street and tell his first

friend "That fellow's a 'ell of a banker, I wouldn't do business with him." You bet, that's what you'd get for giving that bird a half day of your time, listening to his tale of woe, and what-not. All the result of wanting to SERVICE the whole community. You believe me, that word SERVICE has been overdone and the quicker the banker forgets there is such a word the better off he will be. I'm writing of this SERVICE that is generally given FREE. You never got anything in your life for nothing, so don't give it either. That's a good one to stick to. "YOU NEVER GOT ANYTHING IN YOUR LIFE FOR NOTHING SO DON'T GIVE IT EITHER."

The previous year I had negotiated an exchange of a certain note with another banker, for one of his, the primary purpose of the exchange being to hold my borrowers line below the legal limit. I was unfortunate in that, the other bank closed, and in trying to complete the terms of the arrangement made with the bank, the Receiver in charge, took the position that he could not recognize any such agreement, justifiedly so, and in carrying the matter to an Iowa District Court, the Court held that such an agreement was contrary to Public Policy, and would not allow the receiver in charge of that bank, to re-exchange. It was unfortunate for me for the reason that the note we were holding was of questionable value.

Let me tell you bankers right now, NEVER ef-

fect such an exchange, irregardless of how you may feel about it personally, for it is contrary to Public Policy and the Receiver of any closed bank, never will be allowed to carry out the terms of an agreement made along those lines.

The result of that case, was an increased expense account; a lot of grief and time spent, all of which could have been avoided but for my willingness to help the borrower out.

Yes sir, as I said previously, get over this thing of being a good Samaritan. Be a hard boiled banker and your Undivided Profit Account will reflect the position you take; a position that not only the Banking Department but the public will give you much credit for. Aren't you better off with half your present deposits, and your note case sound, than a large amount of deposits, necessitating the taking on of more paper, paper that you would not think of accepting if your deposits were smaller?

Much of this condition is due to Competition; bankers fighting one another to get business, with the result that many times they overreach, and drop into pit-falls.

It's true that the banking business of the entire agricultural section has been overdone. Charters have been granted promiscuously; banks have popped up in hamlets that never should have had one; making the going just that much harder for the other banks, increasing competition to a point where Safety was at stake.

For years everybody was drunk with prosperity. When the day of reckoning came, however, charters were not so issued; the banking business being placed on a better basis, as a result. I'd venture to say that the banking business is on a sounder basis at this date than anytime since 1917, and while Confidence has not been entirely restored, yet there appears a return to normal at this writing.

An important business meeting of some of the stockholders of a company organized some years ago was held at Dubuque, Decoration Day Eve. The wife, a local merchant and I made the trip. The meeting was not much of a success, altho I made a collection on a small note that night. I was glad to get the money; bought a good lunch for the three of us and started for Bellevue about 11:30 that night.

Upon coming out of the timber about 5 or 6 miles south of Dubuque we could see the sky to the south well lighted and assumed someone's barn in the distance was on fire. I drove faster still, trying to get to the fire as quickly as possible. Drive as I would we did not seem to get much closer until we arrived within three miles of Bellevue when I realized the fire must be in our own town. Naturally I opened her wide open. Coming down Pat Dunn hill I realized the fire must be of considerable proportions and had an intuition it was the Piano Factory. Sure enough it was. It lighted the sky for miles and miles around. I drove up to the plant,

and half the population of our little city was there. I arrived about 12:30; everyone was excited; people were wild; some had imbibed more liquor than they should have (I don't know where they got it). Among the crowd I overheard:

"I'll bet this will cost the State Bank a lot of Money";

"I wouldn't be surprised if this puts the State Bank out of business";

"See how the directors of the State Bank are working to save what they can, those birds wouldn't be in there working like that if it didn't mean a lot to them";

"Poor Schmitt'll have a 'ell of a time now"; until I got so dam disgusted with everything that I went home to bed, for little did the dear Public know and appreciate that the plant of the company was insured for more than \$300,000.00 and that every dollar of that insurance was payable to the company and the bank jointly, under a loss payable clause attached to each and every policy held by the company, and that each and every policy so held was in the hands of our bank.

Even Joe Becken, who wrote a lot of insurance, said that the time they get thru monkeying with that co-insurance the companies won't pay any of the loss. Dam little he knew about insurance or he would not have made such a statement.

Weren't we Trustees of the bond issue and didn't the Deed of Trust specifically state that the insur-

ance covering the buildings and machinery must be held at all times by the Trustee for the benefit of the bond-holders? Of course, it did, and didn't this Cashier think it good business on our part to have all of the insurance payable to us, so in case of a fire did occur, the funds would be paid to us, and we could eliminate any paper of theirs 100 cents on the dollar and hand the overage to the company?

I was being paid to look after these interests, and I certainly did in that case. Had the dear public known my innermost thoughts when I retired that night of the fire, they would have rested easy. I was never glad to see a fire in my life, but that was one that didn't worry me one iota.

The very first morning after the fire, in they started coming, this person and that wanting their money. We tried to tell them that every dollar of the insurance would come to us and that we couldn't lose a dollar on the line; that we were perfectly safe and all that. They took it with a grain of salt tho' and made you feel like you might be a dam liar, when all the time you were telling them the gospel truth. **We paid out and out.**

Some of the employees were first to call, and got theirs. You bet, the strain was terrific; one that many a man older than myself would not have withstood. Had I to do it over again I would have locked up that morning.

We knew our condition better than the public; knew this insurance money was coming to us; but

they seemed to know more about us than we did ourselves. All sorts of stories were rampant, until matters came to a point that you couldn't believe anyone you met. Apparently good, honest, industrious, hard-working people developed into liars overnight.

A man came in; looked you in the eye; you'd tell him about being protected; that we were getting 100 cents on the dollar in the way of insurance whereupon he would say he was glad of it, leaving the bank, satisfied that his deposit was alright. About one hour later he returned with the statement that he decided to take his money, which of course, was paid to him.

You know, some dirty low-livered pup had talked to him in the meantime; probably filled him with a lot of bunk, until the poor devil didn't know what to do. Diarrhea of the mouth was a disease.

Yes, the flames were being fed a good and plenty. A director of the Refrigerating plant said he was glad they didn't have any money tied up, up there. Some inference in such a statement, wasn't there?

Days went by. Appraisers of the Western Adjustment Company appeared on the scene together with an adjuster for the Insurance Company of North America. The policies had been written in some of the largest and best companies in the United States. The appraisers went to work, reckoning the loss on account of the fire, made a

thoro check up of the books of the Company and made a settlement of \$168,500.80.

A short time later checks were received by us from the various companies, totaling the above figures. The checks were displayed to a few simply to show that the public didn't know what they were talking about, and that the officers of the bank who had made statements previous to receiving the checks and after the fire, were truthful in their statements. Nothing more was said about co-insurance.

A certain amount of the Insurance received was set aside in conformity with the Deed of Trust; was held by us to replace the property, for so the company intended doing. The balance of the proceeds was used to eliminate any paper that did not seem 100 per cent to me, cleaning up the line in excellent shape, and handling the balance as a credit to the company. Henry objected to me taking out so much paper, but I advised him I felt the company would have no use for the funds for a time at least, as they could not manufacture for a time, and for that reason they might as well be drawing the interest on this trade paper as we. He wanted to know whether we weren't in business for profit, and I told him we were, but that I felt it was more profitable for us to clean up now than to take chances on their ability to clean up later.

Everyone in town hated to see the fire, so did I. Didn't it make it possible for me to clean it up,

and hadn't I felt in case of a fire we were amply protected? Didn't I write practically every policy held by the company, and didn't I see that we got protection under the terms of the policy? Of course, I did. But little credit did I get for it, and none do I expect now.

Plans for re-building were immediately discussed. We were glad to co-operate, but insisted that the buildings and machinery would have to be replaced in as good a condition as prior to the fire, and that we would pay the bills, in connection with the replacement, with the funds we had retained. You see, we didn't take any chances on a slip-up. We didn't know what might occur. We knew creditors there were many. We knew in fairness to the bondholders that the property should be so replaced and I saw that it was.

It is a fact that it was replaced better than ever; that the machinery was better than prior to the fire. You bet, I looked out for the interest of the bondholders. But you know about how much credit you would get for that. Some even insinuated that Schmitty got his, "You know, he's no dam-fool," when in all truthfulness all Schmitty ever got out o fit was a 'ell of a lot of work; a 'ell of a lot of grief; a 'ell of a lot of criticism; a 'ell of a lot of litigation, about which more will be said in succeeding chapters.

Oh! yes, again that old saying "Man's inhumanity to man, makes countless thousands mourn" held

true. Yet in the face of it, my, I'm going to call it guts now, held out. Prior to this I have referred to my nerve. From now on I'll have to call it guts, for circumstances at that time justifies me using that expression. Sometimes known as intestinal fortitude.

Yes, sir, my guts staid with me and many times thought nothing would suit me better than to lick the whole crowd of them; show them that in the face of adversity, I could maintain the standing of our institution in the community, and protect reputations that were many years in the making.

You bet, I staid with the ship, as old Frank used to say, against advice given me by a friend, very near and dear to me.

I made up my mind that with the replacement of the Factory, the community, an otherwise reasonable community would appreciate my efforts, and again our business might improve, but Fate held otherwise for me. For didn't the scandal mongers continue their campaign up to the date of the closing of our bank? Didn't the public work to bring about the inevitable? Weren't they afraid the bank would have to close up? Weren't they under that impression for the last 5 years? and didn't they now get just what they wanted? In the Eighteen years of my banking experience it has always been my policy to fit in with the community I was residing in; to be a part and parcel of the community; to help wherever possible in its uplift and since the

public apparently desired (*they must have or they would have put the kibosh on such talk*) the closing of our bank, I wanted to be accommodating and done that same thing this February 14th, 1928. As long as they wanted it why not let them have it?

The first day they had what they wanted they began to feel differently about it, and presumably then didn't want it. For the talk started the other way; sort of like strewing flowers over a dead man's grave. I never could see much sense in eulogizing a dead man. Why not pass your bouquets to him while he's still alive and can appreciate them?

CHAPTER XVIII.

Reconstruction of the Piano Factory was commenced the summer of 1924 immediately after the fire, and fall saw an excellent building prepared to have machinery placed, and ready for manufacturing.

The Powers that Be at the Plant felt that a grand opening would be in order and arranged for it.

The Commercial Club was called in (*as they always were*) and assisted in decorating the plant, placing it in a very inviting condition, with corn stalks spread all around the place; beautiful autumn leaves strewn here and there; pumpkins, jack-o-lanterns and goblins around the place; with a few black cats mounted here and there. (*Perhaps the black-cats had something to do with its future*). A dance Orchestra was hired; folks went up and made merry; everyone had a good time; the plant was complete; better than before the fire and the community was proud of it.

Notables in the Piano industry attended the Grand Opening, and assisted in showing visitors, of whom more than 1500 registered thruout the day and evening, around the plant. Eddie Johnson proved himself a very hospitable member of the

entertainment committee. Freddie Kurtz, in his affable, genial manner introduced many of the visitors to the ladies of the town—a crowd of Dubuque bankers inspected the plant, conceding by them, to be as modern and up-to-date a factory building as they had ever seen.

The Commercial Club boys met many of the men of the industry; congeniality reigned thruout; an ocean of loveliness, many a flash of friendliness, a cheery voice here, a smile there, personal touch; all imprinted on my Memory. Crowds streaming in and out of the plant all afternoon and evening; hundreds of younger folks stepping to the strains of Monk Manderscheit's Jazz Hounds.

No one assumed for a moment that the black cats were present.

Altho every here and there was that slippery, vile, infamous devil still spreading the germ of discontent. The wee hours of the morning came, and folks departed for their homes, everyone happy, for wasn't the future of Bellevue assured, and the best part of it all was the fact that each and every bill incurred in replacing the plant, was PAID IN FULL.

Another Fall came with its cheap hog prices; high prices of feed and expensive labor; continued high taxes. The farmer suffered again; business in town was not very good, neither was it at the Factory.

The slogan adopted by the Commercial Club

"BEAUTIFUL BUSY BELLEVUE" was not being borne out. There was no question about the city being beautiful, some question tho of its being so very busy. Some of our townsmen transposed it to Beautiful, Busted Bellevue. You see, some of them rather enjoyed being Bolshevistic and referred to this man or that as being busted. For didn't many a story come to me about this farmer or that merchant being broke and on the rocks, didn't someone ask me about a certain farmer out in the country; ask me whether it was true that he was busted? and wasn't it an absolute fact that that farmer owned 190 acres of real estate, unencumbered and had about three thousand dollars of personal property clear, and owing mighty little money?

And wasn't I told that another farmer north of town was about thru, and wasn't it a fact in that case that he owned more than 400 acres clear, with a lot of personal property and owing just \$2200.00, and yet the dear public who seemed to posses all the information in the country, more than any man in the country who is continually in touch with such matters, contend that they know everything about anything, when as a matter of fact they are very poorly informed on most things?

At the time of my first taking this position I was told that certain families in our town were very rich, etc. etc. It didn't take the public long to realize they were all wet on that, and I am making

this statement broadly that they are all wet on most everything they talk about.

Oh! no, I'm not disgruntled on the world in general, neither am I sour. I hold no ill-will toward anyone and am at peace with the world, more so than since 1920. I very distinctly recall a newspaper article appearing in one of the local papers, giving an account of the burning of a farmer's home, stating that on account of his fear of the banks he had thousands of dollars in cash in the home when it burned down. The newspaper offered its condolences to him, when as a matter of fact he was busted before the fire occurred. I knew that to be a fact. Another case of someone being all wet.

For variety that fall I spent a day at the County Fair at Maquoketa, accompanied by Bob and Arion Lampe. On returning home I was mozeing thru Andrew about 20 miles an hour or less. The next evening I got a letter from the Mayor of the Town to appear for a hearing on a Speeding charge. I went! Did not plead guilty and was offered a trial the next evening.

In my conversation with the Mayor he advised me the speed limit was 20 miles per hour. I felt I was under the limit and would stand trial.

The following night I drove over again and was met by at least 30 men at the City Jail where the hearing was to take place. The men of the town wanted to see who would defy the venerable mayor,

for hadn't they picked up many a person driving thru their town, and hadn't they all pleaded guilty rather than have a trial? I wouldn't, for I don't believe in pleading guilty when you're not. The trial opened. I pleaded not guilty. The mayor advised me I had the privilege of taking an appeal to the District Court. I told him I knew all about that. He said:

"You'll have to put up a bond." I told him I was prepared to do that.

He fined me \$5.00 and I wouldn't pay it, telling him I wouldn't pay more than two bits. He couldn't see that small an amount, and told me he had an appeal bond all ready for me, which he did, and I wondered how come; he had it all ready? How could he tell I wouldn't pay the fine, small as it was? Anyway I signed the bond, and read his pedigree for him. It was almost as long as a pure bred one. The crowd of onlookers gave me credit for taking the position I did. The case was appealed.

It developed that during the trial that the speed limit was 15 miles an hour instead of 20 as the Mayor had previously advised me. Apparently he didn't know the speed limit of his own town and in addition to that, the nature of the evidence against me propounded by guesswork on the part of two men, one, I was later advised, being an ex-convict and the other a man from whom I previously had had a 'ell of a time collecting a note. I'd gotten the

money from him, but no doubt left a bad taste in his mouth.

Shortly after that an attorney, a very good friend of mine called on me with reference to the case saying, "Leo, I'd sooner pay that fine myself than to push that case."

"If you feel that way about it, why don't you go over and pay it and be done with it," was my reply. He smiled about it and left the bank. I never heard anymore about it. He didn't pay it either. I assume it was thrown off the docket in due time.

Winter was soon upon us and the tranquillity of the town was almost normal. People were becoming more or less sedate; began trusting one another again, something they had not done for some years. In view of that condition obtaining the Commercial Club arranged for a big banquet to be held at a Lodge room bordering on that beautiful Mississippi River.

Several hundred men of the town attended and Happiness, Joy in Living, Harmony and Conversation were present.

A speaker from the outside spoke on Community Co-operation; Doctor Dennison, that able, fluent orator spoke on the industries of the town; Joe Young spoke of various Civic enterprises, various members of the Club made short speeches; Walter Sharnborg stated:

"For when the One Great Scorer comes
To write across your name

He writes, not that you won or lost,
But how you played the game."

I couldn't help but feel after Walter sat down that so much truth; so much of everything good was contained in those few lines, that I committed them to Memory immediately; Memory that wonderful faculty possessed by human-kind; Memory, returning to you thoughts of days gone by; Memory, bringing back home happiness of the past; and yet, Memory, that most treacherous faculty a man possesses.

Someone spoke of the Joy in Living; that Bellevue possessed everything to make life worth while.

Someone else spoke of our little pet, the Piano Factory, going into detail as regards its reconstruction. Henry was called upon to say a few words, as only Henry could say them. The various industries of the little town were lauded to the skies, all but one; one that no one present seemed to think of; one that no one paid any attention to; one that was plugging along in its own way; one that didn't need additional financing every now and then; one that has since that time been self-supporting, yes more than that, profitable; one that didn't require a lot of ORGANIZATION; one that proved the contention of its owners, that a gravel business, properly managed, would be profitable. Yes sir, every other business was lauded, but, the one really entitled to the most of the praise was inadvertently overlooked. Invariably that's the case.

Punch, of which some of you old timers know more than the present generation, was served. Everyone partook of it, including ministers. It was good. Everybody was happy. The future of Bellevue was absolutely assured. CO-OPERATION was hit on the head by everybody; every speaker dwelt upon it, some at length. Co-operate, co-operate, yes that word co-operate was mentioned a hundred times and more. Immense visions of the future were portrayed; the speaker would lead the assembly up the mountain top; bathe them in the nice, bright sunlight, and have them looking out beyond into the future. (Many of us had become accustomed to traveling through the valley of the shadow of the mountain top and enjoyed the scenery from up above.) Yes, the future held many great things in store for us. Wouldn't business at the Piano Factory hop right along now? Wouldn't the very nature of things bode for our success?

Through a visionary cloud the rainbow appeared. Happiness appeared on the scene. We didn't stop to think that life has its rhythm; that Life had its ups and downs; that moments of darkness, those uninteresting stretches of our life, were the real test of success. We felt that glory and ecstasy would remain with us forever; we felt we were living in an age of perpetual joyful intoxication.

You bet your life, it was a real banquet. The wee hours of the morning came and men retired to their homes, happy in the thought that tranquillity was

restored, happy in the thought that Harmony prevailed; Harmony that untangles, pacifies, regulates, enlightens and up-lifts; Harmony that sweetens a man's task and mellows his work; Harmony that necessary requisite of efficiency to keep a man's head and hands in tune.

The winter passed rather uneventful. The banking business went along in a more orderly fashion. People were commencing to be themselves.

Feed on the bottoms was scarce the previous fall. Some of the boys kicked about the rotten corn crop. Hadn't the June previous taken their entire crop of corn, and hadn't they put in a second crop about July 1st, and again lost that in the flood of August? The Bulls were heavy eaters. Of course they had to be fed and kept alive for the spring sale, which was to be one of the events of the season.

Positively do I recall the trip down to the sale, with the little old Milwaukee chugging along until you almost feared for your life. Section men were busy piling sacked sand along the right-of-way, to keep the tracks from slipping down the river. Spring came early. The attendance at the sale was not so good. Outside buyers were conspicuous by their absence. No market existed. The price received was small; the cash receipts not so high; with the net result that the proceeds of the bulls did not pay for the feed advanced to keep them alive the past four months.

Ye Gods! what was to become of the bulls? Real

honest to goodness Short-Horn Bulls. Why, an ordinary steer would have brought more money. Anyway the owner felt, lets stick with the ship. The market may yet improve. Whereupon I told him

“To ’ell with the Bulls, to ’ell with the market, and you too. I’m thru.”

Again and again I listened until I felt there yet might be some salvation, for wasn’t most every pure bred breeder out of business? Wouldn’t these cattle be hard to get in time? With many of the breeders forced out of business; forced out on account of no market for their product; and in many cases due to the large original price paid back in 1919, without at that time thinking for one moment of the Day of Reckoning. Neither did THEY think it would come, but it did. Their day was just a little later getting here, that’s all.

The early summer of 1925 general business in the town wasn’t much better; farmers were more or less hard up all the time and needed help every now and then; the factory was not doing so well; they had negotiated a loan of considerable proportions in a town not far distant and were carrying their account with them. You see, previously I did not see fit to discount any additional paper for them and with the result I was not favored with the business; a result I was glad obtained.

About that time the company got into difficulties with one of their large creditors in Chicago; they were being forced; an attorney from Maquoketa was

requested to accompany the President to Chicago with a view to helping him get the situation ironed out. But the manager of the Chicago Company just wouldn't be ironed, with the result that it was necessary for the Piano Company to raise an amount somewhere near thirty grand, which was done, by the Company placing a like amount of their bonds as collateral to the loan, with an outside institution; bonds that had previously been held by the Chicago House as collateral security to their account.

The new loan was negotiated by Henry, and Ha! Ha! again old Henry was happy and took delight in kidding me about his ability to get the money without any help from me or our bank. I was glad he felt that way about it, for I was out and intended staying out for keeps.

After he negotiated the above deal Henry thought he wasn't feeling so good. He should have felt good but he didn't.

Not feeling so good, he told me one evening, that the following morning he was going somewhere in Michigan for his health, to spend about 30 days recuperating. He was gone about 8 days. About the second day of his absense his brother Bill came down and advised how Henry had told him he was to be the boss. That was alright with me, I didn't care who the boss was, for I wasn't discounting any paper for them anyway.

The next day Miss Ludwig, who I always thought was a very efficient girl, came down and advised that

Henry had told her she was to be the boss. I told her also I didn't care who the boss was, that it wasn't any of my business. You see there again, they used the banker for everything.

Oh! yes I listened to troubles ranging from baby fights up to pending divorce cases. Daily, Bill or Vera (Miss Ludwig), would come to the bank, and I'm telling you that the cat and dog story had nothing on those two. Henry returned in a few days, and ironed matters out.

Some of the boys who had purchased Wild Cat Stocks some years ago, were unloading; some got \$6.50 per share (cost \$150.00) and some nix, and N-I-X don't mean 100 cents on the dollar. Regularly I would listen to them, consoling them in their loss, (misery loves company). I, too, had invested.

June, shortly after, the annual music dealers convention was to be held in Chicago. "Are you going to have a display there, Henry? I greeted him one morning.

"Of course, I'd like to," he replied, "but I haven't got the money to go ahead and can't afford to take it out of the business right now."

We visited about the convention for some little time, whereupon he approached me to discount four trade acceptances for him and that the funds would be repaid within 30 days.

After reflecting upon the matter for a few days and having in mind that we were pretty clean with the company I decided we'd better help him out, so

that the manufactured Bellevue product would get the publicity such a line should have. That noon I discounted the paper for him and the convention was made forthwith.

A good many orders were taken at that convention, Henry and his crowd returned home and everybody went to work making pianos. Henry wasn't feeling so good again and told me that the next morning he was going back to Battle Creek for his health. I consoled him, of course, telling him he would be alright after a little rest.

Two days later I got word from a good friend of mine that Henry was bound for Florida; that he had seen him make arrangements at Chicago for the trip.

Why, the son-of-a-gun. Hadn't he told me he was going back to Battle Creek for his health, and here he was bound for Florida.

The day following I walked to the Piano Factory (I usually drove) and walking up to his brother Bill asked him "Well, Bill, how do you think Henry will like Florida?"

He looked up very much surprised to think I knew about it and replied, "Well, Leo, since you know where he's bound for, I might just as well tell you, I don't look for Henry ever to come back."

All that, and him after telling me he wasn't feeling good. I knew he wasn't feeling good financially, but I didn't think it was that bad, that he had to resort to leaving without anyone knowing about it

here. Yes boys, that's the way she went, they were getting hotter every day. It gets tough and then it gets still tougher.

Word was passed around that Henry had skipped out. Again our depositors began visiting us, for didn't they feel that we owned the plant, or had so much money in it, we might just as well own it, when our only interest was the last funds advanced foolishly, I admit.

But wasn't it necessary to get the benefit of some advertising at the Convention, which would materially assist in future sales? And wasn't I glad to be of assistance, provided of course, not too much money was involved? There I sat with another loan, one that began to smell early.

Bill, who then had charge of the plant, could not make arrangements with me to discount any paper, and apparently was unable to do so anywhere else, so in desperation he came to me with his troubles, unfolding them slowly in my back room. I listened intently, for the \$4,800.00 advanced to help advertise at the convention didn't bother me so much, just another of those vicissitudes of fortune; just another EXPERIENCE. I was getting used to them, one more or less, didn't phase me much.

I advised Bill that the best thing to do was to call a meeting of their creditors, probably make an assignment and wind up the affairs of the Company. I was getting pretty hot about then, adding the words "I don't give a whoop what the 'ell becomes

of that Piano Factory. I've been given credit for being its Guardian Angel long enough."

Notices were sent out to the creditors and a general meeting was called; the business was assigned; the Assignee liquidating the business in quite an orderly fashion. Creditors didn't get so much, for there wasn't much to be had. And so, came to an end the Henry G. Johnson Piano Mf'g Co., a company that the prognosticators would have you believe would be one of the leading industrial concerns of the middle west, and with its passing on, a good deal of my troubles were over with. (I just thought so.)

Its passing on marked the third corporation to pass out of the picture; the first the Bank of J. Kelso, in business 54 years; the second, the Bank of Bellevue, operating for a longer period than that, both the latter institutions going through many a panic, withstanding financial jolts for years; looked upon for more than half a century as the two Rocks of Bellevue, compared to the Rock of Gibraltar.

I had the reputation of being a fast automobile driver, always kept my machine up in mighty good shape, they had to be to stand the gaff I would give them.

I recall about this time pushing a Studebaker from Chicago one night during a terrible rain storm, hardly able to see more than 100 feet ahead; driving at a rate of 55 miles per hour, when directly in my path stood a Ford Coupe, with two young men and

two girls in it. Unconsciously, my foot sought the brakes; the car swerved to the right; leaped into the air and flew thru space, landing on all four wheels however, to the right of the paving, perched against a telephone pole. The boys in the Ford were down quickly to assist me; I was glad I was alive and so were they.

It seemed there was a railroad crossing directly ahead of them; they had stopped on the pavement awaiting a passing freight; turned out their lights, which accounted for me not having seen them sooner. When the machine left the ground I slid from the seat, doubled myself around the gear shift and brake, so that in the event the car would land upside down, I would at least not be crushed to death. Oh! yes, I thought fast, let go of the wheel and trusted to Providence for the rest. In a few minutes many cars had stopped, all ready and anxious to help me back up to the pavement, which they did. This occurred east of Dixon, from where I drove home that night. You bet, my nerve was still with me, even in the face of death.

After the Piano Company had made its assignment, the men in charge wished me to make a trip in behalf of the Company, to Los Angeles, but on account of the bad conditions that existed locally, I could not see my way clear to go. Much as I would have liked to go; much as I would have liked to see the Pacific Coast, the land of Sunshine, Flowers and

Dreams, I did not make the trip, but arranged for Clarence Ely, a very able attorney from Maquoketa, Iowa, and now a District Judge, to go in my stead. Since it was to be one of the very few I was to make at someone else's expense, I knew the trip would be worthwhile but had to forego it. You see, pleasure was out of a country banker's line.

CHAPTER XIX.

The summer of 1925 again saw the examiners with us, the State man named Wilson, a very ardent baseball fan; a resident of Waterloo; and hot for Waterloo of the Mississippi Valley League. Both mornings were spent going over the baseball scores of the day before. He enjoyed talking baseball with me, for I too, knew a little of the big leaguers. He carried one of those black, Charli Chaplin cocky moustaches; rather proud of it. I complimented him on it; that seemed to get under his hide, and he and I got along very fine. He patted me on the back, told me of the fine improvement shown, and believed we would work out from under alright, when I told him that if the depositors would just leave us alone for a time, there would be no question of our working out of our troubles.

For three years past the demand for funds was ever present; and it seemed the demand was continually made on us; whether in the way of loans or the withdrawal of deposits.

You see, we were the REAL COMMUNITY ASSET always standing ready to help, and glad to assist in the financing of the local community; taking part in everything that we felt boded good for

the town and community. No legitimate demand for a loan was turned down, even tho' we had to discount the note with the Fed. and later he criticized for not cutting the loans DOWN.

Sure, they would discount it, acknowledge receipt of the paper, sending their credit advice, and then turn around and call you on the carpet for it.

You fellows know why the Fed. is in business. Sure, they're glad to help you, that's what they are supposed to be there for, but when you need the help you not only get it, but you get a lot of free advice, criticism and 'ell with it.

You have a big demand; heavy withdrawals; you go in and see them; talk the matter over with one of the boys. You get what you need; what you want. Sure they're glad to do it. You go home happy. Then, a few days after you get home, here comes a letter criticizing this note and that, again asking you to cut it down; to liquidate; stating they would prefer not to increase the line, when Lord knows, you are not increasing it out of preference, but out of plain out and out necessity.

While the Piano Factory was being operated under the Assignment previously mentioned, local people commenced to lose more confidence, and land knows there wasn't much more to be lost. Our deposits kept dwindling and dwindling, nothing severe, but continually going down.

The State of Iowa, thru its Board of Conservation, was induced to become interested in a huge bluff

south of town, a bluff much like many others, for which the eastern part of the State is noted.

Again the Commercial Club, under the able Presidency of Mr. A. W. Weber, motored to Des Moines, some 20 strong. The membership of the Club were all personally interested in seeing the good old State of Iowa make a State Park of that particular point; feeling that as an attraction to all Iowans it could not be surpassed in beauty and splendor; that every inhabitant of the State would at some time desire to see this Park; that its beauty would become nationally known, for from a point of vantage the United States Government Proving Grounds at Savanna, Illinois, some 20 miles south, could be plainly seen with the naked eye; and to the north mounds of tremendous size could be seen for a distance of more than that. With the Mississippi River flowing gently by, bordering the very edge of the park, some 200 feet below, a view was presented that makes unnecessary a trip to the Pacific Coast for Scenic Wonders. You bet, the whole gang wanted the Park, pledged their every assistance to bring about that much desired result.

Would the folks of Bellevue be willing to do their part, in case the State of Iowa did see fit to make a State Park of it? Would we? You bet your life we would, and to a man the Club pledged itself to lend their every assistance.

The Board of Conservation, in regular session, granted the Club an interview. For some reason I

was chosen as the spokesman. The result of that trip was that Bellevue obtained an Iowa State Park, and immediately a Park Board was formed.

After another inspection of the premises, by some of the members of the Board of Conservation they decided that some small additional tract should be added to the Park with a view to making it worth while, such entire tract to cover some 65 acres.

Interviews were had with the owner of the adjoining bluff but presumably on account of the State wishing to have it, they felt a price, rather exorbitant, should be asked. While for ordinary farming purposes the real estate so effected would't be worth \$15.00 a nacre, yet suddenly the price had been gyrated to an impossible figure. Such information was conveyed to the Board of Conservation by myself, for I had the honorable position of Secretary of the local Board. They did not see fit to pay, such a price, especially so, since the local boys had purchased the original tract and donated it for Park purposes, with the result that Condemnation Proceedings were the next thing in order.

Proceedings for that purpose were immediately instituted by the office of the Attorney-General and carried thru to a successful conclusion, with the result, however, that the former owner as well as his entire family took the position that I was the man instrumental for their having received a price, much less than anticipated, resulting in the loss of a mighty fine bunch of accounts. I stood the brunt of

it, however, and was willing to let it go at that. Other members of this local Board felt glad to shuffle the blame, in the hope, possibly, of picking up the business. That was alright with me tho', I was willing to back up anything I was interested in, and never took recourse to the covers. You'd never catch me sliding for shelter, for why shouldn't a banker be honest in his convictions?

And yet, isn't it a fact that many a time the honesty of your convictions loses you business you hate very much to lose; business that helps make your institution a profitable one.

I sometimes think that the bird who sits back on his prat gets farther than the banker who gets out and hustles for the general good of the community. It's been demonstrated here and there, and yet I'd sooner be a part and parcel—get in with the boys—and help make, rather than sit back and reap the benefits of another's labors.

That Park, however, shall serve as a memorial to every man interested in bringing it to Bellevue. It shall serve as a memorial to the members of the State Board of Conservation, for with the improvements made there since, up to the time of this writing, it will and must be classified as one of the many Iowa Beauty Spots. With the Bellevue-Savanna National Forest directly beyond the river a scene is presented that even California would be envious of.

Late that summer a Power Company commenced

building a High Line from Dubuque to Clinton, for transmission of electrical energy, from one point to the other, and surveyed thru our territory, with the idea of running the line diagonally, rather than along section or fence lines as the farmers wanted them to do. The Power Company couldn't see it that way tho' and proceeded along their original plans.

Nine tenths of the farmers in our trade territory, over whose lands the line was to run, came to interview me at the bank with reference to the fact that the purchasing agent for the right-of-way had been out to see them; had offered them a very low price for the right-of-way over their farms, and that they would not sell for such a ridiculously low price and that they wanted me to talk to this man or that about getting a better price for them. Much of my time for a month was spent in assisting them. An agreement was made by all the farmers concerned to stick together; none were to sell out without the consent of all the farmers effected. We formed a little organization, and the boys requested that I should handle all negotiations with the Power Company, which I did, with the net result that in many instances a farmer got ten times as much as the purchaser had offered him in the first instance; some farmers got more money than they had been willing to accept some time previous, etc.

When the final settlement day came it resulted in a battle of wits between myself and a representative

of the Company, at which most of the farmers were present, and at which meeting the final settlement prices were arrived at. Yes, sir, I gave the boys every assistance; had my expenses in connection with investigations I had made, paid by the power company, as the farmers all knew. Easements were obtained, and the farmers went home happy. In a few days a yarn came to me as having been told by one of the farmers "I'll bet Schmitty got a dam nice thing out of that."

Now, I leave it to you, wasn't that appreciation? My efforts didn't cost any farmer one red dime. He was present when the Company agreed to, and did, pay my expenses. And yet here he was stating that I got mine.

What a sucker I was. I should have charged each of them a reasonable fee, in which event my work would have been appreciated. I've realized since what a fool I was. But then, that's what you generally get for being a good fellow.

That entire fall and winter the Commercial Club spent much time in trying to interest someone in taking over the plant of the Piano Company, since the Creditors Committee had completed their work, and the plant was now idle. They didn't meet with much success. Sure, many a man was willing to come and open the plant for this purpose or that, but always, ever present, was that statement that local people would have to finance the business. Would local people do it? Absolutely not. They'd

been doing nothing else but, for years and felt it was up to someone to take it over and put up real cash of their own.

Finally, as a last resort, an advertisement was placed in a Music Trade magazine, in the hope that some manufacturer might become interested and probably make an investigation.

The advertisement carried a fine picture of the main building of the company, a building approximately 80x500 feet.

Sure enough Ed. Rauworth, then general manager of a large piano factory at DeKalb, telephoned the the President of the Commercial Club one day asking for particulars, which particulars Mr. Kempter gladly gave. Paul advised him over the phone that he and a Committee would probably visit him shortly and go over all matters with him.

Directly Paul came to the bank, for why shouldn't he? Where could he find a fellow more willing to work and co-operate with a view to getting the plant into operation, so employment could be furnished for many of our people, and at the same time better serve the interests of the town in general? A hurried consultation took place. Paul and I decided to drive; started out; got stuck in a good many snow drifts (March '26); shoveled our way out several times, until our physical endurance was no more. Once while Paul was shoveling back of the car, I attempted to back out of the drift and almost ran over Paul. Just then we decided to return home

and go by rail, which we did, arriving at DeKalb the following morning. We were shown around the plant; it looked like a bee-hive of industry and was. Men were working hard; the plant was the utmost in cleanliness; everything had an air of prosperity and Paul and I wished our plant could be put into the same condition, and that it also, might soon be a bee-hive of industry.

Every conceivable Grand Piano we saw, from Baby Grands to Concert Grands; all beautifully finished, being manufactured for one of the biggest concerns of its kind in America.

The books of the Company were shown us; they indicated a very nice profitable business; the manager was getting an excellent salary, indicating far more than average ability. Paul and I felt, if only we could convince this man to take over our plant. Shortly we went into consultation with our man, prevailed upon him to accompany us to Bellevue that evening, which he agreed to do.

Upon arriving at Bellevue we were met by a delegation of the Commercial Club (again they were on the job); went into session immediately; the session lasted late into the night. The following morning the committee and its prospect for the plant, made a thoro inspection of the premises; the prospect stated he thought it one of the finest plants he had ever seen, one of the finest little plants in America. A business conference was the result.

Would the people of the community who held

bonds in the Henry G. Johnson Piano Manufacturing Company, which bonds were at that time in default on account of non-payment of interest and taxes, agree to accept 7 per cent preferred stock in a new Company to be organized, such stock to be accepted in exchange for their bonds, provided a like amount of Capital was put up? The man to put it up to take like stock?

A general meeting of the bond-holders was called for the evening. A large majority of the bonds were represented at that meeting. Would they agree to such an arrangement, and in case they would, would they sign up on that basis? Why of course, they would, and proceeded to sign up. Didn't they wish to have their plant, which had been idle for some time, open again and furnish a livelihood for many a man in the town? Didn't they all have a lot of civic pride? and didn't they prefer getting a 7 per cent dividend on their stock, rather than carry over past due coupons, which never would be paid?

As a result of that meeting, signatures of the bondholders were obtained, practically all of the bondholders signing the agreement with the exception of possibly a dozen. Notice of the signing was sent to DeKalb and within 30 days the new manager was here on the job, looking after the cleaning up of the plant, painting it and otherwise placing it in first class condition. His theory was that cleanliness begot success.

Lumber commenced to arrive; other materials

came also; manufacturing was commenced, and in a short time Bellevue's little pet factory was again on top of the world and enthusiasm ran rampant. Business activity increased about the town; the merchants were glad the plant would be again in operation; for couldn't John Jones or Bill Smith pay their grocery bill regularly now? To a man almost everyone looked for the success of the plant. Many months were spent in preparation and a complete Grand Piano was the result. A Piano that many of the natives enjoyed looking over, and of course everyone felt they would like to have one for their home. But, Grand Pianos cost money, and many of them changed their minds. They preferred getting something out of the plant (you see they had preferred stock) rather than putting something into it. You see, putting in was about all they had been doing before, and hopes ran high that dividends would be forthcoming shortly, and in the event dividends were large enough they might consider buying an instrument themselves. (These lines are being written two years later and no dividend has been paid.)

Louis, the Jew, a local merchant whose stock had the sheeny appearance, and I bought quite a block of the old Henry G. Johnson Piano Manufacturing Co. bonds, prior to the making of the exchange. We would buy the bonds, have 7 per cent preferred stock certificates written for them, handing the original bonds to the company. We bought at 40 to 60 cents on the dollar. We were both going to make

money. The Jew, of course, made all of his own deals, as did I also. Louie and I got along fine at that time, until a short time later that summer he was asked by an attorney why he didn't cash in on a Judgment he had against a certain fellow, to which Louie replied that he couldn't; that the State Bank had a mortgage on everything he had on the place. "Give it to me," said the attorney, "I'll get the money for you," which the Jew naturally did, for who wouldn't be glad to get a judgment of five or six hundred dollars paid up in full? I believe previously I said something about Shyster lawyer. I hope the reader makes no connection by inference.

One hot afternoon the man against whom the Judgment was held, telephoned me that the Sheriff had just been down and attached all of his personal property, about \$20,000 worth in connection with the Judgment held by Louie, and what would he do about it? I wasn't an attorney (thank goodness) but did tell him there was nothing for him to do but to watch the Sheriff, so he wouldn't run away with all that stuff. I knew the Sheriff personally, and knew he would get quite a kick out of the joke. I have had just a little experience in connection with Chattel Mortgages, and felt that ours was good, altho in this day of adverse Court decisions, its pretty hard to make anything stand up. However, I was perfectly willing to go to bat on the case and let the Court decide as to their legality and value.

Didn't that bird go in and contend that the Chat-

tel Mortgages held by us were invalid, etc.? and proceed to levy immediately, even going to the extent of advertising a Sheriff Sale of the property, or enough thereof to satisfy the Judgment he was attempting to collect?

A hearing was had on the matter; Louie, the Jew, was ordered to release much of the attached property; another hearing was had; Louie was ordered, by the Court of course, to release additional stuff, with the result that it was not released promptly, whereupon someone told Louie that there was something in this world like Contempt of Court for not complying with the Court's orders, so Louie thought he'd look around and probably get some other legal advice, which he felt he later told me, would be a bit more correct than advice he had obtained in the past. The upshot of the matter finally came, in Louie retaining the levy on a team of mules, a pony and a bull.

The owner was going to claim exemption on the team of mules; his son was going to claim ownership of the pony, and it was agreeable all around that Louie should have the Bull. Just then Louie called on me, told me he had listened to enough Bull (referring to his legal advice) and that he would not take the Bull. He offered to do anything under the sun on account, he said, of the Contempt matter. He offered to pay all expenses we had incurred in the matter; offered to pay our attorney; offered to pay me personally for the drives I was compelled to

make. Since he so generously offered to pay, why shouldn't I forget it, and forget the Contempt end of it also? Sure, I told him, I would be glad to.

The experience cost him more than \$400.00 at the time, without reckoning his expense otherwise, and time lost, and in addition here was his own attorney to pay. Louie said he wasn't going to pay that and would stand a suit before he would do so. Well, he got the suit later on and had to pay.

An attorney some years previous had rendered a long written opinion on an abstract of title, covering a large farm near here; stated among other things that certain Patents were missing; that the wife of Peter P. Maier failed to join him in releasing a Real Estate Mortgage he had held on the same farm, etc., etc. The fact was, the Patents were shown on the abstract; Peter P. Maier never had a wife; never was married. The opinion referred to certain coheir rights, etc., etc. I turned to the purchaser, who was ready to make the settlement, and told him to go ahead and make it; that the abstract in that respect was alright, and not to pay any attention to that long-winded opinion, which didn't mean anything anyway.

Now then, poor Fred, the purchaser, didn't know whether to believe me or the lawyer. I insisted I was right and so did the lawyer. I leave it to the reader, and you don't have to be a lawyer either. I think your last assistant-cashier can answer that one.

At any rate, on account of my showing up his ability at that time, he later spent many long hours writing up petitions; long winded petitions; petitions that some attorneys have told me since they could not make head or tail out of, they adding the statement, "Well, you know him"; many of the petitions being directed, I might say, at me personally; attacking this or that, even to the extent of asking the Court to set aside certain papers in connection with the sale of Real Estate made some years ago, without success however. Previously I said something about paper being used to write petitions and hanging on rolls. I know that he solicited business, the nature of which no reputable attorney would solicit.

Practically the entire legal talent of our section are close, warm personal friends of mine and I hold them in the very highest regard. I might write pages about anonymous letters but prefer not to. An anonymous letter writer is the very lowest type of human being, and I should not even say 'human.' I hope to, some day, write another book 'Anonymous,' and expect to play up an attorney as my 'leading man.'

CHAPTER XX.

June of 1926 came and so did the Examiners. A very thoro examination was made, a real, honest appraisement of the assets of our bank. After much deliberation between the Board of Directors, myself and the Examiners, a resolution was passed levying a 100 per cent assessment on the stock of the bank, notices in connection with which were to be sent out August 15th.

That date notices were sent out to the stockholders, we had 70 some. The notices were mailed on a Saturday night. There was considerable discussion and more talk the following day, Sunday. (Folks didn't mind desecrating the Sabbath Day.) Many of the stockholders were sore and sour about it and gave vent to their feelings in no uncertain terms. The Public by noon of that Sunday knew all about it. Oh! yes, I was getting the co-operation of the stockholders alright. Here was the Board of Directors and myself, having a 'ell of a time for a number of years; nothing but GRIEF and worry, anticipating that in view of the general banking conditions of the State, the stockholder would see the matter in the proper light; take the assessment graciously and do for the institution what they could; talking right

all the time, instead of wrong as many of them did.

Monday morning came. Our Assistant-Cashier Henry Graaff always got down to the bank early, cleaned up, swept out, keeping the place looking immaculately clean. This particular morning he had just arrived at the bank a little after seven, when in pops a stockholder owning 10 shares of stock, with a time deposit of about \$5,000.00 with the words, "I want the money, we need it in the business."

Seemed funny that overnight that business of their's required such a large amount of capital. Henry paid the cash; couldn't convince him to take a draft. He takes the filthy lucre and trots to his place of business with it. The balance of the force, including myself, appeared on the scene shortly; Henry advised us of what had transpired, when in walks another stockholder, the owner of 4 shares, presents a certificate of deposit of \$400.00 and asked for cash. We tried to explain to him that the assessment was placed in the interest of the depositor and that he should consider himself in the light of a depositor for a few moments, appreciate what we were doing for the depositors, and forget for the time being that he was a stockholder. He couldn't see it in that way and still wanted his money; the certificate was past due; naturally we paid it; in CASH.

Cash to us at that time was being considered almost hellish. Everybody wanted it, in some cases

we were able to convince the depositor that we were alright; that his money was safe, whereupon he would go, leaving the funds with us. But, when the stockholder gives you that sort of co-operation, what can you hope to do? Nothing, but try and combat it at every turn. We had quite a few cases of such stockholders. We did the best we could; put up a 'ell of a fight; tried to hang on to all the deposits we could, but try as we would we didn't seem to be able to offset the talk; the telephone company did a fine business those days; the operators were kept busy.

I want to add here that much of the talk was partially justified, for didn't one of the Directors, a John Haxmeier, transfer his farm to one of his sons, and his town property to someone else? You see, we had a directors note, and he was afraid he would have to pay his portion of it if the bank went to smash, when as a matter of fact, his name was NOT on the Directors note. The very fact that he made those transfers started a line of talk thruout the community that we could hardly combat successfully. Yet the boys and I were willing to try and did succeed fairly well, altho our deposits shrunk several hundred thousand dollars at the time; money that we hated to pay out, but what else was there to do? Didn't this Director make those transfers and wasn't he walking around with head hung low, worrying himself about his responsibility, when in truth there was no responsibility whatsoever? His transfer of his property was the rankest injustice

done our bank by anyone, and here he, a director. What else could the depositors assume? Why did he make the transfer? For weeks I would not speak to him, some months later telling him about the rank injustice he had done us; a wrong he could never hope to rectify, and how his very act might be the means of wrecking reputations enjoyed by many a man in the community.

That fact did come to pass, for this writer at the present time is buying groceries on credit, for the first time since entering the banking business, 18 years ago. I have not, however, lost my hold on life; am prepared to push with the same energy I used in operating the bank. Quoting one of the Department's men 'Schmitt, if you get out and apply as much energy for yourself, as you did in operating this bank, you'll be a rich man some day.'" And to recuperate financially, every moment of my spare time is being used in writing this book; it is being written entirely from memory. I am working with the boys of the Department, have access to the books and records of the bank but am not taking advantage of that fact to gather data, using my memory only. I want to be given credit for passing on some of my GRIEF without resorting to a lot of records, data or a diary, for I have never kept such a thing. I've never written for a magazine, nor for a newspaper, and this book is my first attempt.

All the information contained herein is furnished from Memory; Memory, the receptacle of all knowl-

edge; Memory, when Joy, no longer Joy; but when Sorrow, Sorrow still; Memory, a bitter-sweet, both a joy and a scourge; Memory, the treasure house of the mind, wherein monuments thereof are kept and preserved; Memory, like a rainbow, bright, vivid and beautiful in some things, and covered with a ghastly pallor in others; *Memory*, that only Paradise from which we cannot be turned out.

At the time of the particular transfers previously referred to, many stories of other transfers came to us at the bank. Many were told that the President had transferred everything to his wife and son. Wasn't it a fact that he owned at that time, and does today, in his own name, a large farm within two miles of town, and didn't he own real estate mortgages on record at the county seat, and still a matter of record? Didn't every other director of this institution retain title to all the property he had? Weren't they the square shooters in doing all they could for this institution? You bet your life, they were.

Altho again, the dirty scandal monger was busy telling folks, this director had transferred this, and that Director had transferred that, and many people would believe it. I said something about anonymous letters a short time back. I have reason to assume that I know where they originated, but consider an anonymous letter writer so low that I do not wish to harm the ribbon on this Underwood by typing even the word.

None of them would make it a point to make an investigation at the County Seat. Many folks, even today, don't know what a County Recorder's office is for. At least, so I must infer, for didn't they believe all that crap and not take the trouble to investigate?

They would come to the bank; want their money; telling us about having heard this or that; about this director and that; we tried to convince them; asked them to go to Maquoketa and investigate; offered to telephone; pay the toll ourselves, and allow them to ask the recorder to look up the record and report back to them at once. Oh! no, they didn't care to do that, all they wanted was just the money. They would rather believe the scandal-monger than the County Recorder. Not a day went by but some depositor would call; the same rigmarole was gone thru; now and then we would save a deposit, now and then paying one, and everybody wanting Cash, good old coin of the realm. They got it. They'd go out, salt it or deposit in some other bank. Yes, they were happy, but they couldn't forget it. The first coffee-klatch they attended wasn't banking the subject of their conversation, and didn't they broadcast they had drawn their money and that they were dam glad of it? Didn't they say they wouldn't take a chance on that bank, and if they got any more money they wouldn't put it there? Didn't a lot of them say they hated like 'ell to take it, but that they had heard so much about the bank that they decided

to draw their money? Wasn't this pup and that feeding the flames, all the time in the hope they might undo us. They've accomplished their purpose, and I hope they are satisfied.

Thru it all the Board of Directors, consisting of Louis H. Lampe, Joseph Daugherty, Michael Kilburg, John A. Feldermann, Arthur Kucheman, Matt Even and I, would work like the devil to meet those situations. Liquidate fifty to seventy-five thousand dollars; sit pretty for a little while, and then again liquidate fifty or sixty thousand more, pay that out, and then liquidate some more and then pay again, and again.

You bet, my dear old mother was glad and proud I was a banker, but little did she know my *grief* and worry; little did she know of my troubles, for thank God she lived elsewhere; little did she know that her son was fighting like the devil to maintain the good name of the institution; the reputations of the Board of Directors; the reputations of the employees, for had she known, God knows what would have become of her. I'd heard of fellows going out to lick the world and being successful. I wasn't, altho I put up a good fight. I take solace in the old many times repeated expression, misquoted " 'Tis better to have fought and lost than never to have fought at all." During that period stories of all kinds were rampant. Hadn't I gone south with all the cash? Hadn't Schmitt disappeared? And wasn't it a fact that Schmitt was right here in the bank all the time

trying his best to allay matters? Tete Des Morts, a little former French settlement, 10 miles north, even called up and asked whether we were closed, that they had received that report within the hour? You believe me, she was a battle, we could have used a Maximillian, Fifteenth Century German Armor those days.

Now and then a stockholder would come in; ask all about the assessment, then state he didn't believe he would pay his. Had very few of that kind, however. After considerable persuasion, if he still thought he wouldn't pay it, he was told in no uncertain terms, by myself, that I was going to collect HIS assessment and that the quicker he got that into his head, the better off he would be; that we were having plenty of grief with the depositors and that I wasn't inviting more grief from a stockholder, but that if he was looking for a fight he sure would get it, and leave it to me to collect. The large majority of the stockholders paid without a whimper; paid graciously, appreciated the fact that banking conditions here were very upset and that they more or less expected an assessment; that they were not surprised to get the notice.

Collection of the assessment was coming along fine; a few stragglers hadn't paid and were requested to call and go over the matter with us. I knew I'd have a fight on my hands; knew most everyone was paying his, and why shouldn't this fellow or that? I was ready for the fight tho,' you see, I was ac-

customed to putting up a fight, for didn't I know him to be good for the amount, and wasn't I going to have easy sailing to collect it?

The net result was that I believe the record of that assessment has not often been duplicated throughout the State, as the Department records will indicate. Every assessment was paid with two exceptions. What was the use of trying to collect that, for wouldn't it be necessary for us to take over his home in order to protect us on money he owed on notes, say nothing of his assessment. That house is O. R. today.

When the assessment was in, the boys and I were happy again, provided happy our condition might be termed. You see, we had forgotten all about happiness, altho the popular song of that day, "I want to be happy," didn't mean much to us. We wanted to be that way, but couldn't seem to get into that mood.

During all of those times many and many a conference I had with old Mike, one of my directors, and by the way, one of the best bank directors I have ever known. Mike was a worker. Mike was out trying to help us; Mike tabooed a lot of the talk on the outside; Mike was full of pepper; wouldn't listen to a lot of the bunk. You bet Mike was an asset to our institution; one that did not appear on our published statement; an asset that meant much to us. The writer is glad to be out of the business, but should it ever be his fortune, or term it the opposite

if you wish, to operate a bank, a Board consisting of 5 Mikes would be our biggest asset.

Some years prior to this time a young fellow full of pep and vim came to me, stating he intended going into the Grocery business, and that he would have to have a little assistance. Going over the matter with him I agreed to assist him for a reasonable amount. Business opened up good—he didn't seem to give it the care it required. Business fell off after about a year or so with the result that an assignment for the benefit of his creditors was made. Having a chattel mortgage on the property, we fared quite well—and incurred the enmity of various wholesale houses, whose contention it was that we were getting the lion's share of the proceeds of the sale of the business. Why shouldn't we? Our Chat-tel was good.

The Assignee was able to interest other parties in taking on a part of the fixtures and again we were asked to finance the new business. The new owners were young, industrious, enterprising young lads, and would no doubt make good, and did. However, the relatives of both young men saw fit not to patronize our bank, no doubt feeling we were unsafe, and as a result moved their accounts elsewhere. But then, invariably that's what you get. Oh! yes, I might write a long record of tears and heartaches of similar cases, but what's the use? I can only add that in the face of the relations, the boys have made good, and here's more power to them.

About that same time I'd financed a confectionery business, backed by the owner's mother. The owner saw fit to resell the business, and accompanied the business to another point with the new owner, leaving the poor old mother here to take care of the obligation. She did, but not without a good many heartaches. When you stop and think how a good many men and women treat their dear old mother, the mother that went to the very doors of death for their sake, you wonder. It has always been my policy to be kind and gentle to old people, a qualification I hope I may retain in after years. I always feel that any man's treatment of an old man, stooped and gray, or an aged lady wrinkled with worry and ill-health, reflects that man's character positively.

Early fall of 1926 came: prices were somewhat better altho' the Bulls had to have more feed. Four Hundred and Sixty Five acres didn't seem to produce enough to keep them, and of course they had to kept alive, and about that time I didn't care whether school kept for the Bulls or not. School was out as far as I was concerned and the school ma'am had gone home for the night.

CHAPTER XXI.

Bellevue did have one industry though that furnished continuous employment for some dozen men—The Bellevue Clay Products Co.

This company had been organized some years previous, and was engaged in the manufacturing of some brick, building tile, and many flower pots.

Their flower pots were shipped to many points throughout the middle west; their pots were in demand; they were strong, substantial, and porous enough to make them a very desirable pot for use in Greenhouses, and as a result the company enjoyed a very fine business.

Clay, used in the manufacturing of the pots, was obtained from a hillside, nearby—clay, that some years previous was pronounced perfect for the purpose—clay, samples of which had been tested by other men interested in the Clay products of the State, and pronounced as good as the State contained.

With an abundance of such clay in the locality, a man of the town, having proven himself a high pressure promoter, promptly proceeded to ORGANIZE a syndicate, organizing it for the purpose, he said, of capitalizing Bellevue's natural resources.

A lot of you bankers have heard that expression 'Natural Resources' plenty often, for hasn't there some time in the past been some promoter come to your town, called a meeting of the live wires of the town, talked for hours and hours of the natural resources of your community in the hopes that he might interest you and others in the formation of a company to exploit such resources, and hasn't it been proven that nine times out of ten the Natural Resources are usually the bunk? Didn't you listen for hours and hours to the promoters' line of talk; didn't you believe that if all he said were possible, your little town would grow and prosper; would take its place among the metropolitan towns of the State? And isn't it a fact that today, possibly years after you have forgotten about Natural Resources and the company that was organized at that time, your town is just about the same as it was years ago? It is true that in some cases Natural Resources made a town—but a wild cat promoter never helped to make it such.

Well, the syndicate was organized—the promoter worked around the town for some weeks advising that if you would put up \$250.00 in cash to help ORGANIZE the syndicate (you see, companies weren't being organized any more, folks had had enough of that, so Syndicate was the next best word to use) you would own a one-twentieth interest in the syndicate being organized for \$5,000.00; that the particular \$5,000.00 would be used to interest Chica-

go Capital in the formation of a Company, (you see, he was going out of town for the real money, unusual) so naturally folks thought that since only \$5,000.00 was being used the proposition could not by any manner or means be construed as PROMOTION.

Yes sir, if you put up \$250.00 you'll own a one-twentieth interest in the syndicate and after the company was formed your \$250.00 would be returned to you in cash, together with a large amount of additional cash, and in addition you were to receive, I don't recall how many thousands of dollars worth of stock in the new company (to be first organized of course).

Didn't he tell the boys that he had been down to Chicago a good many times and had had the matter of this clay up with the Big Guns down at Chicago, and that he had them worked up to where they were wild about the Clay. Men get wild about money; they get wild about sports; they get wild over women, and here they were, getting wild over Clay, at least so Joe told the boys.

Didn't he tell them the new company he was in the process of forming would be capitalized for two million dollars; that he had options on all the clay in the territory; that he had an option on the local plant; and that he was going to put the plant and these clay leases into the new company at a much higher figure than their actual cost was, and that the boys putting up the money would share in those

appreciated values; that it would make them all rich; and that they were making a serious mistake if they didn't come in? Didn't he meet with the Chamber of Commerce, outline his plans to them, and didn't their enthusiasm run so wild that they considered buying a share in this syndicate also? The Chamber of Commerce was just a little hard up for cash at the time and felt there could be no way in which their finances might be replenished any easier than by taking a share in the skyndicate (pardon me, I intended to write *syndicate*).

You bet your life, the boys were brought up to a stage of enthusiasm that led some of them to predict the population of our little town of 1,900 to be 19,000 in ten years. You know how enthusiasm builds air castles; air castles that in themselves are only air castles, and yet are air castles that lead men otherwise sound, conservative and shrewd, to invest their funds in propositions they wouldn't think of placing their money in, only for the high pressure line they listen to.

High Pressure—yes sir, Weck had it. Many and many a trip he made to Chicago—had the property appraised by some appraisal company—wasn't it a fact that it was considered worth millions—and could be bought from the farmer, in most cases, cheaper than a good Iowa farm was purchased for some years previous.

Wasn't it a fact that, with proper equipment, such as the new company would undoubtedly have, hun-

dreds of cars of flower pots and building blocks and drainage tile could be shipped out every day? And wasn't it a fact that every car so shipped would represent a net profit of So-much money, and that with 24 working days every month and with twelve months in the year the company could make so many hundred thousands every year—pay 7 per cent interest on their bonded indebtedness, and then have about 35 per cent for the common stockholders. You see, the local syndicate was to have their holdings in Common stock. They'd agreed that they didn't want any Preferred Stock—they'd had plenty of that before and got no preference—now they wanted Common Stock; you see, they wanted to be just common stockholders, for wasn't the common stock going to pay 35 per cent plus, and why would they want 7 per cent preferred when their prospects of getting 5 times that much were exceedingly bright—so Joe had told them, and since everybody knew Joe personally, why of course, there could be no doubt about it. Joe had been born and raised in the little town; had been engaged in the insurance business for many years; had been successful in the business; had assisted in the promotion of other enterprises elsewhere, even to the extent of promoting an Oil well. (I don't know whether oil ever flowed or not).

Why, of course, the boys all knew Joe—and why shouldn't he be able to put the proposition over?

Again and again Joe would go to Chicago—return

to Bellevue when he would be met promptly by some of the syndicate members when the following conversation would take place:

Member: "Hello, Joe, how's things coming?"

Joe: "Just fine, I've been working like the dickens at Chicago."

Member: "Do you think you'll be able to swing them into line?"

Joe: "Say listen, those birds down there are just crazy to get at this thing."

Member: "Well, when do you expect to have some of them out here to look the proposition over?"

Joe: "Most any time now, just so soon as the appraisers make their report."

Joe would go on home and the member trot around town and tell the rest of the members about it.

Settlements on the syndicate were about to be made, that is, payment by the member of his \$250.00. This or that one did not have the cash available just then and would Joe be willing to take his note?

Joe had done considerable promoting prior to that time, and hesitated about taking the note, without first taking the matter up with the banker.

One day Joe came to me and asked whether I'd take a certain fellow's note for \$250.00 representing his share in the syndicate. I hesitated to do that, having had a belly full of promotion notes in the past.

Joe: "Well now listen, that fellow's going to make a lot of money out of this deal."

Myself: "That may be alright Joe, I hope he does, but I'm through with those damn promotion notes."

Joe: "Don't you think that bird's note is good for \$250,00?"

Myself: "I know darn well it is, but I wouldn't give you a nickel for the best promotion note in town?"

Joe: "What the 'ells the matter with you lately, you won't come in on the syndicate and now you won't even buy a good note like this one?"

Myself: "Listen Joe, I've told you before I wouldn't give you a nickel for it, and your education hasn't been so neglected that you didn't get me the first time."

Joe: "But my gosh, man, this proposition of mine's going to make this town."

Myself: "Yah, that's alright, I hope it does, but it's not going to be made at my expense, I've been backing plenty around this place, and another thing Joe, if that bird hasn't got the cash to join that syndicate of yours, he's got no damn business in it, and you know it."

Joe: "Hell, you're crazy, you wait 'till I get back from Chicago next week, I'll have a man with me, and after you listen to him for five minutes, you'll want to come in yourself."

The latter part of the following week Joe did call with a man, reported as being from Chicago. He measured about 60 inches around the waist. Joe took him to my back room, inviting me back. I was

introduced to the man, who to all appearances was prosperous. His game no doubt made him look that way. Joe always looked the same way.

For more than an hour I had air castles built for me—told the boys I was pretty busy and would have to get out some work, and invited them, as cordially as I knew how, to leave.

The day following in walks Joe again.

Joe: "How'd you like the man yesterday?"

Myself: "Seemed like a real fellow, I thought."

Joe: "Say listen, that man's a big guy down there at Chicago. He controls the building tile business of Chicago, and you know what that means."

Myself: "What do you mean, he controls the tile business down there."

Joe: "Well, I'll tell you. You see there's one company down there that controls the entire situation and he's at the head of that. Why that fellow's one of the highest salaried men down there."

Myself: "Well, if he's such a good man as all that, what's he doing out here, can't that company furnish all the tile Chicago needs?"

Joe: "That's just it, Leo, you see there's such a terrific amount of building going on down there that they haven't the facilities to turn out building tile fast enough, and it's his idea to put over this plant out here, and take it into their organization."

Myself: "That sounds pretty good, Joe, but how much money are they going to put into this plant out here?"

Joe: "They don't have to put up any money on this deal. You see here's the way we're going to work it. I have these options, costing, say, One Hundred Thousand Dollars. The appraisal shows the property worth \$2,500,000.00, for which amount the new company will be capitalized. You see, I'll put in the options for, say, two hundred thousand dollars in cash and three hundred thousand dollars worth of stock. I'll give the boys that put up the money on the syndicate their money back and so many shares of stock in the company, all common. You see, there won't be any preferred. Then, the company will issue two million dollars worth of other common stock to the men interested, which will do away with all the capital stock, and there won't be any promotion in the whole deal. Then, they'll take this appraisement before some bond broker down there and show him that the company is fully organized with \$2,500,000.00 Capital Stock, all fully paid up, and have him float a bond issue for one million five hundred thousand dollars. They'll get that money, maybe a net of one million two hundred thousand dollars, you see the broker will probably charge them about 20 per cent for handling the deal.

With that \$1,200,000.000 they'll spend about one million in new buildings and equipment, and by Gosh, we'll have one of the finest Clay works in the world;

Myself: "Well Joe, what's going to happen to that other \$200,000.00?"

Joe: "Oh! you're too dam particular this morning. What do you care what happens to it. Isn't Bellevue getting something for nothing, so why pick it to pieces right away?"

Myself: "I never saw anyone get something for nothing, Joe, that ever amounted to a dam, and you know, the more I think of that clay deal the less I think of it."

Joe: "What the 'ell's the matter with you this morning. Don't you want this town to grow—why don't you get behind this proposition and help it along? You know, I still have 4 shares in this syndicate to sell, then I'm ready to shoot."

Myself: "Listen Joe, when you can show me a plant down there, there won't be a son-of-a-gun in this town that'll do more for that company, but you're going to show me the plant complete before I spend any more time with you about it. Now don't bother me about it any more. I wouldn't put a dime into it, as bad as I want to make money."

Exit Joe.

These lines are being written about two years later—the hills, those beautiful hills, towering toward the skies, in heavenly majesty, covered with verdant foliage in the summer time, and appearing bleak and cold during the winter months, still contain their Clay.

No company has been ORGANIZED and no doubt the syndicate is at an end; placed in an open grave

which still yawns its welcome to the harbor of finality.

Enthusiasm, Organization, Death, Oblivion. Yes, Oblivion, a night without stars; a silence. Now and then a member tries to resurrect it. His Hope breaks the seal of the tomb. His Faith rolls away the stone, and yet, in the face of his Hope; in the face of his Faith; the Clay remains right in those hills where an all-wise Omnipotence saw fit to place it.

For some unaccountable reason the World didn't seem to want the Rauworth Grand Piano as badly as Eddie thought they wanted them. Business didn't look up, rather down, orders did not come in as they might; some grands had been shipped out; repeat orders didn't come in as anticipated. The piano didn't seem to quite suit. Business wasn't growing as the Prophet would have you believe. Yes sir, they needed accommodations also to tide them over. A lengthy conference was had.

The assets of the company were far more than enough to take care of their liabilities with a mighty nice excess for the stockholders. A line of credit was granted them.

The Holiday season came along. Wouldn't the world need Grand Pianos for the Holiday Trade, and wouldn't the plant be too small to furnish the requirements? Wouldn't all the boys interested in the plant make a lot of money? Couldn't they bring their production up to 6 Grands a day and couldn't

they make \$60.00 a Grand clear velvet? And wouldn't that figure almost a hundred thousand a year clear profit, over and above all expenses?

The Holiday Season was here but folks in America had been taught their lesson; they became conservative; why spend the price of a Grand Piano when you can buy a Radio from Sears, Roebuck for \$50 complete? Naturally they bought Radios.

The Grands on the floor, beautifully lacquered, were becoming covered with dust, now and then one or two of them dusted off and shipped to far off California or south to Texas or to some other point. Oh! she was getting to be some world. I'd drive up to the plant. The boss was gone.

"How are things going," I'd ask the watchman. "I'm still watching the plant," he replied. Apparently the watchman was kept to see that no one threw a Grand Piano on his back and run away with it during the night, so the watchman was kept on the job.

Oh! yes, I almost forgot the bills. You see, at lot of raw material had been purchased wherewith to make the pianos and of course the boys that furnished it expected to get their money. They were very much surprised now and then to find that the bill remained unpaid and occasionally would come to Bellevue, walk into the bank and ask how the Piano Company was coming.

I didn't know much about the Piano business, altho I should have, for it had given me plenty of

grief and trouble, possibly more of that than many a manufacturer had, but yet, not making a study of the business, I felt I didn't know much about it. You know, I didn't profess to know everything about everybody else's business, like some folk do, more than the man who was getting paid to know.

Really, if many of the concerns in America knew how many people there were that know all about their business, they would put them on their payroll. I'd almost decided to hire about a dozen of the natives and give them a job in the bank. They seemed to know more about our business than I did, at least they made many a statement that I didn't know anything about. And here, I was on the payroll, and yet I might have been the fool, for didn't the good wife insist upon my discontinuing my connection here the summer of 1920, but I was persistent, and was going to stick it out. I was wrong tho, it's me that's been stuck out, struck out, kicked and abused and what not, and yet in the face of it all, boys how happy I am.

That winter of 1926 and 1927 saw further petitions being filed, but since paper is used for the two purposes previously mentioned, I shall say no more about it.

The winter of 1926 and 1927 was plenty tough; farmers, many of them having their names in our note case, got their hog returns; came to the bank, for the Equity Shipping Association left their returns with us; asked about their notes, pay them or

part of them, and hand in a check for the balance of the account, asking for the CASH. Everyone needed cash.

I never could quite fathom why those fellows needed currency as badly as all that, all at once. Hadn't we gone along with them thru thick and thin? Hadn't we carried them over the previous summer? Hadn't we advanced additional funds to them from time to time? Hadn't we been the fine bank to do business with, and wasn't it a fact when those hog returns came in, he had immediate use for the funds? Couldn't leave them on his checking account and check them out in the ordinary course, as he had been doing for many years prior. Oh! no, he had to have the cash; he was afraid. Well! he got it. And again I would think, isn't that 'ell?

Here we'd been helping that bird for years, tiding him over the last three or four lean years, and that's what you get for it. Many a time I would make that statement to one of My Gang (I was in the habit of referring to the other employees as My Gang) a gang that will soon be broken up; a gang that the writer will many times think of with sympathy and pleasure; a gang that was always courteous; pleasant, honest, agreeable, affable and a pleasure to work with.

The Fall of 1926 saw a poor corn crop locally; it was chaffy; wasn't worth much for feed. The boys on the up-lands were very pessimistic, for why

shouldn't they be, wasn't everybody getting to be a confirmed pessimist?

Wasn't the Iowa Legislative Session that winter anything but a congregation of Optimists? Were they a congregation of Bolsheviks? Weren't they bellyaching and talking about Bank Guarantee Legislation? Weren't the boys down there terribly worried about the bank situation thruout the State of Iowa? Iowa, that grand (not piano) old Hawkeye State; Iowa whose egg crop brought more money than the entire Orange Crop of the State of California; Iowa covered by beautiful blue sky and plenty of farm mortgages?

Certainly the boys down at that Session were worried about the situation. The Hard Road Surfacing proposition seemed to worry them a great deal too. The comic circle began to be more or less of a joke between Bank Guarantee and Cement Roads and arguments were on as to which would come out first. The door was too narrow for both to come thru together. No one was there to widen it.

Some wanted Bank Guarantee and others wanted Cement Roads. What then, was to be done?

And so the debates went on and eloquent and brilliant and impressive and statesmanlike speeches were delivered in succession.

Even the boys down there didn't do much of anything else but TALK. That's all it amounted to. Then in the evening they would retire, these exhausted orators would, to their rooms to recruit their

drained energies, so as to resume the round of conferences, committees, memoranda, proposals, amendments and more orations the next day——.

The next morning the rhetorical roundabout would again be cranked up, with the result that Bank Guarantee chased Cement Roads and Cement Roads chased Bank Guarantee, neither of them catching up with the other.

Such will probably go on until the machine wears out and is replaced by some other form of entertainment.

There had been nothing like that session since Swift's satire on the Wars, or since the argument was settled as to whether an egg should be broken on the small end or at the large.

The halls and corridors rang with debate; a representative now and then would be booed down. It they had just agreed that no more eggs were to be laid until the arguments were settled everything would have been alright. But they couldn't even agree on that. The legislator owed the bank a lot of money; did not consult with his local banker; he dared not do that, for fear he would call his loans, whereupon the legislator would have to borrow funds with which to buy his breakfast in the morning; walk back to Des Moines, in order to be able to answer PRESENT when the roll was called. Oh! no, he didn't consult his banker about the situation. He was afraid to do that. He just went down and howled about guaranteeing the deposits 100 cents on

the dollar; yes, he was terribly worried about the depositors; he had them at heart, but the fact that he, himself, was involved for much more than he could ever hope to pay the bank didn't bother him much; all he was interested in was in guaranteeing deposits. He'd heard that said by someone at some time and thought it would make good meat for the hounds.

His attitude toward his own indebtedness, in my opinion, was the real test as to whether his plea for security was sincere, or whether it was merely a plea (a bill) put forth, in the expectation that it might bring him future votes, for wasn't the public watching that Session?

Didn't the newspapers make big copy of it? and the public being fed up along that line, began to worry some more about the safety of their money in this bank or that? Didn't they read of it mostly every evening, and wasn't safety of their funds brought to their attention almost daily? You know where Russia is located.

Yes sir, the farm situation bothered them a great deal too. It bothered everybody (including the farmer). Oh! yes, the farmer wanted to get in on that, too.

Yes, the farmer has suffered. More so than any other line, at least he has been slower in recovering from the hectic days of 1919 and the few years preceding that; he hasn't had a fair shake, caused by the terrific spread between the price he receives

for his product and the price ultimately charged for the finished product.

Recalls to mind now an incident that occurred here this past winter: A live stock buyer at this point bot some steers for 11 cents per pound; shipped them to Chicago on a Tuesday market, selling them for 11.85; sold to what is known as a speculator, so-called, who held them over until Friday of that same week who resold them to a packer at 15.00.

Now then, here's the producer getting 11 cents for them; the shipper made a small profit, a profit that no farmer would begrudge him; and the speculator getting \$3.15 per hundred profit, with an excellent fill in the bargain. What price will the packer be compelled to ask to make his reasonable profit? There's the rub in the cattle game, too many middle men, and until some method is devised to meet that situation, agricultural conditions will not show much improvement.

With present day improved methods of agriculture, farming has been made much easier. With the aid of the United States Department of Agriculture and the various Agricultural Schools thruout the country the farmers have, for the past ten, yes twenty years, been educated to better farming methods; urged to raise more crops; make two grains of wheat grow where only one grew before: have a steer weighing 1,500 pounds instead of 1,200 as formerly; ship his hogs in, weighing 250 pounds

instead of 200 as previously, and many such things as that.

He was educated to be a better farmer; the government and everybody else was trying to help him, when along comes so eminent a personage as the President of the United States and says some four weeks ago, that the only thing for the American Farmer to do is to regulate his production to meet the demand.

Hadn't he been taught to increase his production of milk; how to improve his egg crop by culling some of the hens; how to improve here and there, and didn't he follow that advise; go ahead and do it, having the County Agent lend his every assistance, and then be told to regulate his production to fit the demand? Hadn't the farmer put himself in shape as he had been told to do? Didn't he have a big herd of cows? Didn't he raise all the corn he could? Didn't he put in all the wheat he could, rotating his crops, diversifying his farming, and wasn't he in fine condition now, to follow the instructions of educated men, higher up, when all at once he realized the predicament he was in; already suffering, and then be told to regulate production to meet the demand?

I've been in personal touch with the farm situation and every farmer has my sympathy, but sympathy will not cure the ills.

I cannot help but feel that the loss of confidence in humankind is the biggest factor in bringing about

the present agricultural conditions, conditions that have brought ruin and havoc to many a good man; and it is my personal belief that the biggest factor required to restore agriculture to its position before the War is the return of Man's trust in Man; a trust that was honored and respected, but a Trust that has been entirely lost sight of since the days of the World War. Irregardless of what President Coolidge might suggest, irregardless of what any Congressional body might do, irregardless of what any Farm Union, Farm Bureau or other Agricultural Organization may see fit to recommend, yes, irregardless of all of that, nothing will aid more in restoring better farming conditions than the return of man to the good old common sense, evident previous to the bloody days of 1918 and 1919.

Article after article has been written; speech after speech has been made; argument after argument has been put forth; cure-alls of all kinds have been recommended, but until the thought "Do unto others as you would have them do unto you" is again put into practice, agriculture will remain as is. The farmer with his place fully paid for, making a little money; but the poor devil of a tenant and the lad on the high priced farm, partially paid for, continuing to suffer.

Let me give you a concrete example of an actual Iowa Farmer's situation.

In 1920 Bill Meyer came to the bank and arranged for a loan. Cattle and hogs were bringing

good prices. He approached the banker for a loan of \$2,250.00 wherewith to purchase a carload of cattle that he expected to feed. "Well now," the banker said, "the banking department wants us to have a statement on file, and if you'll give me a statement I'll be glad to talk with you about it.

Of course Bill Meyer would be glad to give a statement and did, about like the following:

A s s e t s.

5 Horses (value)	\$875.00
11 Cows	1,100.00
8 Calves	160.00
7 Yearlings	350.00
10 Sows	300.00
80 Spring Pigs	1,600.00
Machinery	1,500.00
160 acres of land	20,000.00
	\$25,885.00

L i a b i l i t i e s.

Note to Bank	\$2,000.00
Mortgage on Farm	14,000.00
Net worth	9,885.00
	\$25,885.00

Bill and the banker went over the statement after having it made up and the banker decided he would let him have the additional \$2,250.00 for the load of

steers, which they promptly proceeded to do, the farmer Bill signing the note, getting credit for the amount, and leaving the bank feeling he enjoyed a nice, liberal line of credit and that Mr. Banker was a 'ell of a good fellow for letting him have the money.

He proceeded to Chicago or Kansas City and bought the steers, shipping them in. The steers looked fine, looked like they were worth the money, and would in all probability make some money for the feeder.

Old Bill took good care of the steers, feeding them regularly and diligently; would weigh them up occasionally and tell the good wife how much money he had made up to this time; that in about 3 weeks they would be ready for market and they'd have a lot of profit.

Three weeks later came and with it the shipment of steers to Chicago. The load brought Bill \$4,-100.00, representing a mighty nice profit to him, after having paid Mr. Banker some \$2,290.00 covering the note and interest for the 90 days.

Old Bill was happy, so was his wife. They'd worked hard feeding the cattle, and felt they were entitled to a mighty nice profit, which they had in their bank. The Banker was happy; he'd made a good loan; got it back with a nice rate of interest, and conceded that Bill was a mighty good farmer and a good cattle man and decided if Bill ever want-

ed another loan for cattle he'd be glad to accommodate him.

Spring of 1921 came and of course Bill started talking cattle with Mr. Banker again, referring with a certain amount of justifiable pride, to the fact that he had made a mighty nice profit on the last load and that he felt if he got into the cattle game a little heavier this year, say with two or three loads, he could make a lot of money, and pay his profits on the other \$2,000.00 note the banker held. This sounded good to the banker.

Bill and the banker met at various times that spring and early summer and every time they met old Bill would bring up the subject of the cattle; that the pastures were very fine and that the price was pretty good and that he believed he'd ought to get ready to go in and buy them. He told the banker he was a damside better fixed this year than he ever was; that he was worth about twice as much as he was last year and that he thought his credit should be good for about three loads this time, to which the banker replied:

"Come in sometime when I'm not quite so busy and I'll talk the matter over with you. You won't object to giving me a new statement, you see, we want to keep our file up to snuff."

"Why, sure, I'll be glad to give you a new one and by Gosh, you'll see I'm worth damnear twice what I was last year." This latter conversation took place during the summer.

After Bill had some of the hay put up, he felt he could get away from the farm for about a half a day, so went to town to see his friend the banker.

"Hello Bill," said the banker, "are you in to see about those cattle?"

"You bet your life I am. I've been watching the market pretty close and they're down a little and right now's the time to buy."

So Mr. Banker gets his statement file out and here's a copy of the new statement:

A s s e t s.

5 Horses	\$875.00
11 Cows	1,300.00
6 Calves	150.00
7 2-year olds	490.00
12 Sows	350.00
92 Spring Pigs	1,550.00
Machinery	1,500.00
160 acres of land	28,000.00
	\$34,215.00

L i a b i l i t i e s.

Note to Bank	\$2,000.00
Mortgage on Farm	14,000.00
Net worth	18,215.00
	\$34,215.00

(Conversation follows verbatim)

Banker: "Listen Bill, do you realize you're worth

just about twice what your statement last year showed?"

Bill: "I know damwell I am, didn't I tell you that all spring?"

Banker: "Let's see here now where this difference comes in?"

Bill: "I'll tell you what makes the difference, you see my farm is worth \$175.00 an acre now and I only listed it at \$125.00 last year."

Banker: "I know, but do you think it's worth \$175.00?"

Bill: "You damright it is, old John Schmitt's offered me that a good many times, and you know he's a damold tight cuss. It must be worth it, or he wouldn't offer me that price."

(Editor's note. Remember the 1919 land boom?)

Banker: "Well! I'll tell you what I'll do with you, if you want to go in and buy three loads, we'll fix you up, and here's hoping you make ten times as much money as you did last year."

Bill: "By Golly, that's fine. I'll go to Chicago tomorrow morning. I'll see if I can get a pass with Mike Kilburg (regular shipper)."

So Bill went home, told the fraulien what a 'ell of a fine fellow the banker was. Threw out his chest and said to the wife "You know that fellow wouldn't give me the money, not that much anyway if he didn't know I was damwell fixed." The wife agreed with him and hoped they would do well.

Bill went to Chicago, bought three loads, paid 17

cents a pound for them and shipped them home, giving his check for something in excess of \$6,000.00.

The cattle arrived, were unloaded and driven out to Bill's farm. The next morning he called on the banker, told him what a fine bunch of steers he had, what they cost, what a fine trip he had, how he had gotten a hold of some pretty good beer down there, and all in all Bill was happy.

The banker drew up the note, had Bill sign it, and gave him credit to his account, so the check would be covered when it would come in a few days later.

Bill had the cattle about 40 days and the market began to slip. He kept feeding them up in mighty good shape tho' and felt the market would react.

In 60 days the market was worse. Bill got a little worried about what the cattle would make him in the line of profit. The market slipped every day, and every day Bill would realize that if he shipped the cattle in now, they wouldn't bring enough to pay him anything for the corn and grain he had fed into them, say nothing of the pasture.

Still the market kept slipping and Bill began to realize that if he shipped them in now they wouldn't bring enough to pay the banker the note he had signed.

Still they kept on slipping, until one day in desperation, after having fed them about 80 days, Bill goes to the banker and wants to see him in the back room. He didn't feel like talking out in front, where someone might hear him. To the back room they

went. (Back rooms have been used considerable by every banker since that time.)

Bill: "Say Boss, (he was beginning to call him Boss already) I don't know what the 'ell I'm going to do with them cattle. The market's gone all to 'ell and by golly, I can't ship them in on this kind of a market. I wouldn't get enough to pay the note, say nothing of my feed. What do you think I ought to do with them. I'd like to hold them over until next year. I believe that's the only thing for me to do.

Banker: "It does look terrible, don't it Bill, but I hardly know what to tell you."

Bill: "Well by Gosh, if we ship them now, I'm going to lose a lot of money and you know Kate and I work damhard for it."

Banker: "Yes that's true Bill and I'd hate to see you lose a dime, so if you feel you ought to keep them probably you'd better do that."

So Bill went home, told the wife what a 'ell of a fine fellow the banker was and how he was glad to let them keep the cattle over until the next year.

Until the next year Bill fed the steers, kept them looking pretty good until grass time came, when he turned them out in the hope that the market would improve; for he knew they would put on plenty of gain; for weren't they a fine bunch of steers?

Bill had fed them so much and taken such good care of them all winter, that he actually loved them, even tho' today they were worth only 9 cents after him having paid 17 cents per pound for them.

Late summer came, Bill had the cattle looking fine but the market was all shot to pieces. All he could hope to get for them in Chicago was 7 cents. Bill was between the devil and the deep sea.

Some of the mortgages on neighboring farms were being foreclosed and Bill commenced to scare just a little. Here he had fed those cattle more than a year, paid 17 cents a pound for them and now was able to get but 7 cents for them, and the freight higher than ever. What was he to do? Go to the banker, of course, which he did, where the following conversation took place:

Bill: "Say Boss, (Bill still thought he was a real guy) the cattle market looks tough, don't it?"

Banker: "It sure does Bill, I've been watching it a little myself lately, and I've thought of you a good many times the last few weeks." (You see, he was worrying a little, too.)

Bill: "By heck, I'm going to ship those cattle if I lose everything I got?"

Banker: "I don't believe I'd do that Bill. I believe I'd hold them over another year and you may come out yet. (The banker knew the steers couldn't pay the note.)

So the boys talked it over for an hour and agreed to hold them. Bill felt he had plenty of feed to handle them, more or less rough feed, and felt he could get along alright.

Winter came and the steers developed a terrific appetite, with the result that poor Bill was getting

low on feed and again went to the banker, laying his cards on the table. Ways and means were discussed.

Of course, the steers could not be allowed to starve to death, so Mr. Banker advanced \$1100.00 to buy feed for them, Bill signing another note, having previously renewed the \$6,000.000 note, adding the interest to it. You see, he hadn't made a profit and could not pay the interest until he did.

Another summer came, the steers were growing big, grew more or less out of shape, wouldn't bring anywhere near the top, couldn't gain a great deal, with the result that in the early summer Bill shipped them out to Chicago and returned with a check for \$3,800.00, and was Bill sick? I'm not going to tell you how sick the banker was with his \$6,360.00 note and another for \$1,100.00 with unpaid interest.

Bill goes to the bank. Explains his predicament, and what can Mr. Banker do but take a second mortgage on the farm for the difference, \$4074.60.

Then along comes the bank examiner.

"Don't you know you can't loan any money on a second mortgage?" he'd say.

"You bet, I know that as well as you do, but I'm a damside better off with that second mortgage on that fellow's farm than with nothing at all."

"What do you figure his farm is worth," asked the Examiner.

"He lists it at \$175.00 an acre, it's a pretty good farm, not far from town," replied Mr. Banker.

Time went on. Land values dropped 50 per cent.

Of course, interest had to be paid on the first mortgage as well as on the banker's second.

Hog prices and prices of all agricultural products had slipped to the end of the toboggan and poor old Bill couldn't meet payment of interest on the first mortgage, so Mr. Banker, to protect himself, paid that interest.

Another year rolled by. The crop was very poor, and not much of that. What the devil was the Banker going to do? What the devil could he do? He wouldn't dare pay another year's interest on the first mortgage and didn't.

The Insurance Company that held the loan promptly foreclosed, and here sat Mr. Banker, wiser and money out of the Undivided Profits Account, all on account of a few steers, and who was to blame? Certainly not poor Bill, so naturally the public blamed the banker. Wasn't he the damfool tho'? so they claimed. I wonder who that Banker was?

Pages and pages of like incidents might be written on account of it.

Any man not familiar with agricultural conditions over the above period can readily see why the Farmer feels a grievance, not only against the banker but against the world in general.

Hadn't he lost his farm? and wasn't he still owing the banker a considerable sum, no doubt charged off by the banker, but still carried in the hope that some day Bill may get to hitting and make some money, when Bill would be able to pay the notes? Fine

thing for Bill to look forward to? And the banker's prospects not much better, unless confidence appears on the scene.

This same return of confidence holds good also with every bank in the agricultural section. If you are a depositor of a bank, your bank will be just what YOU make it. Get that old confidence back; patronize your banker and you can be assured that your bank will be a good, strong bank to do business with. If you ignore every little yarn that's peddled to you; pay no attention to the bolshevistic element; go about your work making money for yourself, you can be assured your bank will be for you; will be a safe place for your money, for isn't it true that for many years the Banker has made money for his institution? Isn't it true that he must have ability or he couldn't have made money? And isn't it true that when a man makes money, he's a success, and that the bank making money cannot help but be a success, and don't you want to do business with a successful bank? Isn't it true that your banker has worked out a good many deals he was interested in? And isn't it safe to assume he will work out the balance he may have? Why! of course it is.

CHAPTER XXIV.

The winter passed; another March 1st, one of those hectic days came; a liberal supply of Coin of the Realm was shipped in, in anticipation of cash requirements. You see, we were getting used to peddling currency, filthy lucre; some people didn't believe a draft would serve the same purpose, no doubt they'd sooner smell the money.

Our deposits were again reduced; you see we were liquidating. Many of them wanted their money; they were liquidating their assets and compelled us to liquidate ours also. Naturally you'd hate to see this withdrawal and that, but withdraw they would. We were trying to carry on an orderly process of liquidation, without pressing this local man or that; without working a hard-ship on the community, and all of the time not one legitimate request for a loan was turned down. We were always ready and on the job; glad to assist; the community was in dire need of assistance, and when some man entitled to a reasonable line of credit needed it, where'd he go and get it?

To the Bellevue State, ofcourse. I would take his statement, well as I knew him, see that he was entitled to help, and glad to be of service.

There I am again using the word "SERVICE", Yes, sir, we were the real community asset. Deposits left with us were being used in our community to assist the other fellow in making money and incidentally making some for ourselves.

Our deposits were not sent east to buy Government bonds and other bonds; they staid right here in the community. Four dollars out of every five wasn't sent East to help build up the automobile business; the Railroad business; the Apartment House business or the Electric business. We felt we were entitled to the confidence of the community but couldn't seem to bring it back.

The writer on that March 1st was engaged in writing more Deeds, Mortgages and notes in addition to his regular work, with the net result that our time did show an increase for the day, the first increase in time registered since 1921. The Gang and I were very optimistic. Apparently the break was for us, the first in a good many years, for didn't our time show a decrease every March 1st prior?

Along came another Bull sale. Everybody was pretty sick. Bull meat was no longer in demand. Folks have quit eating sausages, probably due to the expression-"Bologne". With no rent for the farm for the year previous, what was to be done? You tell me.

A drainage ditch was in the process of being put in south of town. Would anyone buy the farm under

those circumstances? Hadn't the flood last year taken all the crop and hadn't a second crop been put in and taken away by the flood? Yes, the going was getting tougher and tougher. What would you have done under those circumstances?

I should have hired a flock of Mexican Matadors and thrown on a real party on that magnificent Bull farm. — You see, those fellows are different. They kill the Bull — they don't throw it — like —

I was able to interest a Chicago business man in the purchase of the Bull farm, including the bulls. He came to Bellevue. It rained terribly that April night. I knew the Maquoketa River would leave it's banks that night and certainly could not afford to take this prospect down to the farm the next morning. I staid with him at the bank until 4 bells in the morning, talking farm to him. He wanted the place for a summer home; a sort of a week-end play ground; where he could invite his friends to spend a little time with him on week-ends. He wanted to view the farm the following morning, saying he had to get back to the city by night.

Didn't I have to tell him I would have to be out of town in the morning and could not take him down. Yes, I told him everything to get rid of him, for I couldn't in the face of the coming flood take him down and show him over the farm. Ye Gods! even the elements were against me.

Many a man would have lost all his nerve and

guts under those circumstances but still I staid with the ship, recalling the expression used by Frank at Farley many years ago. The prospect returned to Chicago on the early morning train. I was glad he did, hoping that at some future date I could interest him in the purchase of the farm. The future date came, but he didn't seem to be interested anymore and would not consider buying it.

Shortly prior to that time we had gotten possession of a 120 acre farm in Clay County, Iowa, to all appearances one of the finest pieces of land I have ever seen. Some previous owner had been offered, during the 1919 boom, \$337.50 per acre for the farm. With every effort I wanted to dispose of it at \$125.00 per acre, sufficient to let us out of the deal entirely, but was unsuccessful. I advertised it; had bankers and real estate agents working on it, but no one seemed to want it. No doubt all folks wanted was Cash, for you couldn't give anything else away.

Reminds me of another deal, where I tried to sell some timber with a little bottom land, asking him what he would pay. He said he didn't believe he would pay much for it. He looked it over. Said he didn't want it. I asked him whether he's take it if we gave it to him for nothing, and he said he didn't believe he would. Good old Iowa Land.

Later I sold it tho' cleaning up the line. Just

before making the sale, and while making an inspection, I discovered a still on the premises. The shack containing the still contained several shot guns, one revolver and a number of magazines.

The shack was locked with a combination lock, which I knocked from the door with an auto hammer. The man accompanying me advised me not to do so, for someone hiding around a tree might shoot my head off, but just then I didn't care much about my head and was willing to take my chances. Here I was a banker, making an inspection of this timber land, and finding a still.

Some days later the local paper carried an account of my finding a still, which account the County Attorney read, and immediately came over interviewing me as to why I did not report it; stating it was every citizens duty to report such cases. I asked him what he thought the duties of a banker were, and he wouldn't commit himself. My reply was that I wasn't getting paid for running down vile-smelling plants, and that I thought such a job was more in his line.

Previous to the spring of 1927 the holder of a first mortgage on a home occupied by a man who was indebted to us, saw fit to foreclose, writing us, what did we wish to do about the matter since we had a second mortgage? My reply was to go right ahead and foreclose, intending to purchase their Sheriff Certificate of sale, when obtained, which

was subsequently done, with the result that today the home is carried as O. R.

In trying to arrive at a fair compromise adjustment of his line with him, arrangements were made during a hurried trip to Des Moines, for him to pay a specified amount of rent each month. Part of the first month (summer of 1927) was paid. No rent was received during the redemption period; the owner occupied the house for 7 months after; promised to pay rent, a specified amount, but was hard up; would get to hitting soon and would pay up the arrears. Our decency in the matter cost us a lot of money, for in December he moved out, entirely unknown to us. Wasn't that fine reciprocity?

Being Chairman of the Road Committee I was active in the spring of 1927 graveling a stretch of road leading into our little town from the Northwest, having the gravel hauled, spread, and keeping it dragged myself, with an ordinary road drag attached to the back of the car. Again you heard many kicks. This fellow would say "That dam stuff never will make a road" "If that holds up I'll eat your shirt" and many such expressions. The road's there today and speaks for itself.

That spring I loaned \$2000.00 to a certain man who wanted it for 90 days only. The 90 days were up, he was sent a notice of the maturity of the note. Called and wanted to renew it. I advised him of

his statement that he positively would pay it in 90 days. He didn't like it. Thought a 90 day loan would be good for 90 years I suppose. I insisted upon payment as agreed. He paid it the following week. Went out among some of his old neighbors, his brothers and sisters, bellyached about having to pay the note; said we must be awfully hard up; and didn't believe we were good, with the result that again we lost a lot of business. I had many such cases, and so have you.

About that time I was considered a logical successor to the office from which a member of the State Board of Conservation was about to retire to assume the duties as a Highway Commissioner. You see, they needed good men on the Highway Commission, and the Governor saw fit to name a member of the Board of Conservation to that office. I had plenty of conserving to do however, trying to conserve our deposits, and kept on that job, rather than the other.

June—that month when the farmer is cultivating his corn — June — when the flapper has visions of a bridal veil, brought me to Chicago to attend to the matter of a note that the maker apparently had entirely forgotten, necessitating my staying in the city for two days.

Upon arriving at my room at the Great Northern Hotel a telegram was handed me "Would I attend a meeting of the creditors of the Massey Piano Com-

pany in behalf of the Rauworth Piano Co.? Again I was called on to deliver (gratis). I was glad to of-course; glad to be of SERVICE.

The meeting of the creditors was conducted by a representative of the Steinway Company. Mr. Massey of Des Moines, Iowa, was present and stated his predicament furnishing a statement of his condition to be perused by the creditors present, some twenty firms being represented.

I was glad to attend in behalf of the Rauworth Company, who had previously sold a considerable number of pianos to Massey, some on credit. The Rauworth Company a short time previous had discounted some of the Massey paper with me. You see, I had a vital interest in Massey's condition.

The statements made didn't sound good; the statements delivered black on white didn't look good, so upon my return home I insisted that the Massey paper we had be replaced with paper of other makers which was done that very day.

Creditors meetings were the order of the day.

About two weeks following the above meeting, upon opening the mail one morning I received an unsigned communication — stating that the creditors of the Rauworth Grand Piano Company of Bellevue, Iowa, would meet at Bellevue some ten days hence. I didn't quite get it, since it was unsigned and felt possibly some bird was kidding me. However, that advanced date came and I recognized

some men in the industry walking by our little bank, so assumed there must be something to the notice I had received some ten days previous.

Up to the factory I drove — sure enough — here was a crowd — a crowd called to order for the purpose of talking over the situation. An emergency existed — which plan was the better to follow?

Ye Gods! I felt the Piano business must be a hell of a business.

After due consideration it was decided the business should be operated under a Creditors Agreement — I was getting pretty sick — I couldn't help but think of that \$15,000.00 represented by two notes of the Company we had; one past due, and the other about to mature. Naturally you'd hate to sign a Creditors Agreement deferring payment on such a large amount of money for two years, wouldn't you? I hated it very much—but, in the interest of all concerned and to allow the plant to continue operations many of the creditors agreed to, and did, sign such an agreement. And so—things at the little pet factory went merrily on again.

Summer came late; farmers were late getting their crops in; the boys on the bottom couldn't get on on account of the high water. The boys on the upland were very pessimistic, for why shouldn't they be? Wasn't everybody else getting to be a pessimist? The crops were slow coming up, spring was too wet. Finally it did come, and so did the grubs, and

from that time to the time corn usually matures it was a case of the grub-worm eating the root faster than it could grow, and the root trying to grow faster than the worm could take it, the upshot of the whole thing being that our community had no corn when fall came.

The summer of 1927 was unkind to us; folks still talking; the infamous campaign, started in 1922, was still on. You know, every town has its pigmy brained pusillanimous cipher, destitute of public spirit; who with a sneaking puerile vocabulary tries to discount the efforts of all community builders. Your community has one, we had several, one especially.

Try as we would our deposits continued on the downgrade, and yet, we, trying to meet every legitimate demand for a loan, and doing so. You bet, our funds were available to the folks of this community and that's where we placed them; altho many folks thought we weren't a safe place to deal with. Had they used a little common sense, they could well have known that to meet these requirements cash was needed, and we always had it, but they kept pecking away at the cash, pecking and pecking until the day would have to come that a reckoning must be had; a day of reckoning that would be much more severe on the community than the previous day of reckoning March 1st 1920 was. They didn't stop to think of that tho. They were insane with fear; kept so by some pusillanimous cipher.

My efforts to maintain were scoffed at, by the scoffer, who stood on the highway of human progress and hissed. No leadership was his, for he had no goal; all paths to him have blind ends, his destination is never certain. What is he, but a living negative, denying the very miracle to which he owed his existence? He is the serpent of every Eden, and all who listened to him lost their patrimony of human happiness. Worshipping no creature but himself he does not hesitate to assume the prerogatives of God himself.

Yes folks, happy am I, not in abusing my fellow man, but in passing on to you my personal opinion of slanderous gossip, an opinion, I think, many and many a person must agree with.

All of us possess a certain sense of beauty and thought. Does the scandal-monger have any? Do his ears have any but for scandal? He hates the rose, but adores the louse that crawls up its stem to destroy. He despises the song of the bird to its nestling, but glorifies the caw of the carrion crow, for putridity is its call. He would rather wallow in a sewer than tread the waters of a spring. Every community has one or more. You have one in your section, we have them here, and until Eternity they shall exist.

Again another Fall appeared with more graveling done on another road, the result of my activities in purchasing a drag line outfit, paid by personal

subscriptions, solicited by myself, using local creek gravel. "Do you think that machine will do the work, I don't" was heard many a time. The machine worked and again the critic was busy. I was an enthusiast for good roads, spent much time and a lot of my own money to get the ball arollin'. I was told of a statement made, that I must have got a good commission for buying the machine, when as a matter of fact it was purchased at Dealer's prices. Again I got criticism, unmerited, but got to a point where I didn't give a dam. Let 'em talk.

That Fall "4 per cent and no worry" was heard over the Radio. Business was solicited. Am mentioning this simply to show to what length advertising had been stretched. You heard it and so did every banker. You didn't like it, neither I did.

Live stock receipts were small; prices went down; farmers had to have corn, and where were they going for help in paying for it. To us, ofcourse. They simply had to have corn to fatten the hogs, and at least one bank in the town had to help. For hadn't the corn crop been a complete failure? Hadn't the summer been too dry for these hills, and hadn't the grub worm taken what little did grow? Yes they did. It was getting tougher and tougher. Business was non-existant. Merchants around the town were complaining of the lack of it.

Business at the Piano Factory was very slow. Hadn't they the June previous been unable to meet

their bills for materials, etc. and hadn't they called a meeting of their creditors, and asked for an extension for two years, and got it? Yes they did. Creditors of that place used common sense, and were not guided by men who had stifled their souls to reject its presence; men who would take the compass from the mariner, blind his eyes to the fixed stars of the firmament, burn the mariner's charts, and bid him sail to the haven of success; then explode in derision when the wreck comes.

Again I want to reiterate. I was getting a wonderful experience, a varied experience, and plenty of it; an experience I would not exchange for anything in the world, and yet an experience I would not again go thru for a fortune.

You bet, we helped the boys buy corn last fall; discounted some of their notes; got them discounted and credited, accompanied by more criticism. Didn't the hogs have to be fed? Ofcourse we didn't want to feed them at the expense of the Federal Reserve Bank or anyone else's expense, for we knew the boys would pay us back when the hogs would be sold, unless the market went all to 'ell and they wouldn't pay the freight.

Reminds me of the sheep story heard some five years ago, when the sheep market went down the toboggan. The Montana rancher shipping several carload of sheep to the Chicago market. He got a wire upon their arrival at the market, to send \$25.00

additional to help pay the freight. To which he replied he didn't have the money, but that he did have a few more sheep he would be glad to ship to help out on the freight.

When the hog returns did come in, didn't Bill Jones living four miles west of town say he had a few other bills around town he would like to pay first, after which he would come back? And didn't he pay a store bill here, another one there, another one at the implement dealer's, and one or two more, and return to the bank with the statement he owed a little more than he thought, and that he could only pay a part of the note, and would I be willing to renew the balance until next fall when he would probably have more hogs again? (If he had good luck in the spring). The condition was here and had to be met, for what could you do about it? Yet in the face of those conditions some retired farmer would call some morning and say he would have to have the CASH on his certificate; that he was a little short and would have to cash it. The amount of the certificate was more that he would spend in two years, and yet all at once, he was, as he said "a little short", get that, a "little".

Give me a town without a lot of retired farmers and I'll show you a real town, but show me one that has a lot of them and I'll show you a punk place. Don't he usually make it his business to tear down and refuse to construct? His religion is his own opinion, generally conceived in a mind warped by

bigoted conceit, for didn't he own a farm of 160 acres, 6 miles north of town, clear of debt? Wasn't he in good shape when he moved to town? You bet he was. He thought so. He considered the farm worth \$100.00 an acre and was sitting pretty. Hadn't he made a lot of money farming? He just thought he did.

He never sat down and sharpened his pencil (he didn't want to lose the shavings.) Had he done that and placed the present value of the farm back to the price he paid for it, computed the taxes since the purchase of the farm 40 years ago, upon the basis taxes are being paid today, he wouldn't be worth a dollar. Yet he boasts of the fact he made good, big money on the farm and he couldn't see why farmers weren't making money today, and yet that same bird had a son out in the country on his farm. The old man would come in and want the cash, when all the time the son was financed by us. You see, the old man knew what we were doing for his son, but apparently didn't appreciate it.

This fellow wanted his Cash and that fellow wanted an extension on his note. Any man using a little judgement, can appreciate that such a condition cannot long maintain, a condition that is bound to wreck havoc.

And yet thru it all I could smile. I've heard it said that something of a person's character can be discovered by observing how he smiles. Some folks only grin. There is this consolation about the entire

matter, slander shouldn't bother you much, for the bee doesn't light on the worst fruits. A lawyer may draw a petition, possibly a voluminous one, such as I have seen (no inference) for wasn't paper invented for writing petitions, etc. And wasn't it easy to keep up a campaign in that manner?

CHAPTER XXV.

Just a few incidents I recall at this time; incidents the like of which occurred occasionally. Wasn't the banker there for every conceivable purpose under the sun? And if he was a pretty decent sort, didn't folks come to him with their troubles and wasn't it a fact that he had troubles enough of his own without being bothered by other folks? And yet, didn't I have to sit and listen for an hour or more to this certain fellow tell me all about how his wife had lost confidence in him; how his daughter was joining in with the wife; how the daughter was more or less wayward and later, no doubt, would get into trouble, and what would I do under the circumstances? Didn't he expect me to give him an intelligent answer?

Didn't I listen one nice bright morning to the tales of a lady, whose husband had developed a terrific desire for Spirits Frumenti, and wasn't she ordering me not to pay any more checks signed by him, and that in the future no signature of their account would be recognized but hers?

Didn't the lady with the wayward son, to whom she had turned a very nice business, come to me and tell me her troubles. How the boy was spend-

ing money like a drunker sailor? How he was buying a new automobile regularly? and how the business couldn't stand it? And what could I suggest in the matter?

Didn't the man who had been ailing physically come to me with his troubles, advising that an immediate operation was necessary, and ask my opinion as to whether he should go to Rochester or have the job done at home? Patronize home trade?

It's a fact that a lady, assumed by myself, to be happily married, came to me, with the statement that her husband was running around with other women, and that she was going to leave him. And wasn't I asked what I would do under the circumstances? My reply was to return home; talk and not fight, the matter over with the husband, and no doubt, they could arrange to get along alright. They are living happily together at this time.

Was'nt I compelled to listen for hours to the lady who advised me that her husband had threatened to kill her; that she felt he might take after her with a pitch-fork, or some like instrument, and that he had threatened the life of the kids? And what would I do in a case like that?

Ah, you bet, the banker is supposed (supposed) to know everything. You bet, the life of the banker was NOT one continuous round of pleasure. Land knows he had enough GRIEF of his own, without having to listen to the other fellows? and yet, the

other fellow thought what's what you were on the job for.

A very fine gentleman came to me one day with the story that his son, who was away at School had gotten into a jam; that he wanted to help him out of the scrape, but how would he go about it? The result of that conference was that the boy continued school and everyone was again happy.

One morning a customer called me from Dubuque with the words: "Leo, I'm in the pen" "How the devil did you get there?" I asked. "For bootlegging" he replied. "Well" I said "are you guilty?" "No" he said "I just gave a fellow a drink one night, and then gave another one in the morning, you know the weather was cold and I felt sorry for him so I gave him just them two drinks". "Well, what do you want with me" I asked. "I got to put up a bond for \$300.00 and I want you to send me the money, and charge it to my account" was his reply. I did that, but after mailing the draft discovered his balance to be only \$180.00 but let the draft go on thru anyway.

Then again, I'd have heirs to Estates call, and would I help settle an argument between them; would I help convince Maggie that she was wrong in wanting more than allowed her under the terms of the will? Would I suggest to what lawyer they should go in the event they were unable to get her to agree? Yes, would I do this or would I do that? Until a person became so exasperated he'd like to

throw the whole crowd out. Many of you bankers know how she goes.

Than I'd have some fellow come in and say:

"It's a nice day, aint it Lee". I'd agree with him, even tho' it might be raining.

"Gee, you're getting fat" would be his next statement. I'd look at him, advise that I was pretty busy, and say "Well Bill, how much do you want?"

I could guess by his line of talk he was leading up to a loan, but didn't have the nerve to come right out and out with it. Probably I'd make the loan and probably I wouldn't. You see, these latter years, the borrower had lost just a little of his nerve, altho many of them still possess that in a marked degree.

Some years ago a quite prominent fellow (he thought so) came to me one morning handing me a letter with the words "What the 'ell do you think about that?"

I unfolded the letter and read something like this: "You are guilty of mistreating me and unless you pay me \$300.00 in cash before Saturday night, I am going to have the Sheriff to arrest you, etc, etc." (*Letter signed by a young woman*).

I looked up at Charlie and asked him whether she was telling the truth and he positively denied it in no uncertain terms. I was trying to decide in my own mind as to his guilt but couldn't quite conclude which way to lean. After talking the matter over with him some 20 minutes I suggested he leave the letter with me (I still retain it) and that I would

try and dope out just what was best to do under the circumstances.

That evening I wrote the lady requesting her presence, and requested that she have her mother accompany her.

Two days later she and the mother called and to the back room we went. For fifteen minutes I listened to her STORY and what a story it was. Listen as I would I doubted her sincerity and asked her if she knew what blackmail was and its accompanying penalty. She became possessed with the fear of God and breaking down, told me, that my friend Charlie was not guilty, but that she thought it would be an easy way to get some money; that she needed some badly, etc.

That afternoon Charlie called; "How did you make out this afternoon Leo?" he greeted me.

"Well, I'll tell you Charlie, she's gone back home, and I don't believe you'll ever hear any more about it" I replied.

"By heck, that's fine Leo. Gee! that's a big load off my mind, let's go out and get a coco-cola".

And finis was written to that episode. I was offered a coco-cola for my services, you see we continually advertised: SERVICE but we really were not looking for, nor inviting that kind.

Incidents, such as the above, I might relate, page after page, but what's the use? You have them and will continue to have them as long as you advertise SERVICE and insist upon giving it free. Tell me,

where do you go for consultation, and how much of it do you get free? Very little, I'd venture to say.

Early last Fall I made another attempt to sell the Clay County Farm as well as one in Beuna Vista County, upon which we had a subsequent mortgage.

It was while making this drive, about 4 miles west of Alden I was driving a new Studebaker Commander, stepping along one Sunday morning, at a terrific rate of speed. Seeing a left turn marker ahead some 800 feet, I quit feeding gas, applied my brakes and found I had none. I grabbed the emergency, and you Studie owners know what emergency is. I pulled it back with all my might, throwing the car to the right in the middle of the road, rolling over and over a distance of 124 feet; being bounced around like the fellow that went over Niagara Falls in a barrel.

While all this was taking place my mind functioned fast; quicker than you would believe the human mind capable of; thought of everything bad I had done since a boy; thought of the good wife and family; thought of the bank; of the Gang at the bank; thought of the depositors, and what didn't I think off? All of these thoughts flashed across my mind in a period of not over 20 seconds. The car came to a standstill, unside-down. Oil from the transmission was running all over me. I tried to move; my head seemed to be lying in a pool of blood; reached for my temple, thanking God I could still

think; tried to stop the flow of blood from my temple with my hand; my left hip hurt like it might be broken; my left leg wrapped around the steering post; I couldn't seem to free it. I was bleeding terribly, with glass strewn all over me. I managed to free myself; glad that I still could think; that I was conscious, and alive. I extricated myself; my hip was fine; crawled out of the side, stepped back and viewed the wreckage. Gas running out of the tank; tools were strewn for a distance of 120 feet; the wreck of the Hesperus had nothing on me. I was nervous and said a sincere prayer to my Maker; walked around the car and lit a Camel cigarette.

Just then a man and lady drove up. He comes running toward me with his wife following. I turned around, the wife saw me and fainted; her husband ran back to resuscitate her, which was accomplished in a few minutes. He came back, offered me every assistance. By that time many cars had stopped, every one was solicitous; offered to do what they could; folks were human and kind. I felt alright, told them so, but they wouldn't believe it. A doctor arrived; bandaged me up, someone ordered a wrecker. I went back to Alden with someone; had a doctor re-bandage me; went out and had dinner; hired a Ford Coupe (an old can) and drove 120 miles that afternoon.

You bet, I hadn't lost my hold on life yet; I still had my nerve with me. I had to get there; business demanded it. I was going to get there and did. No

one shall ever know the mental agony and physical hardship I endured on that trip, pushing that old Ford to Aurelia. Many of the bankers were present at that sale, they know. Isn't my body covered with scars caused by flying glass, scars that will remain with me for all time as a memento of that trip? Tell me, how many men would have continued that trip in an old Ford that same date? No one, but a person with an indomitable spirit.

The sale took place the following day. The Auctioneer, try as he would, could not get anyone to place a bid on the farm, one of the finest farms I ever viewed, with an excellent set of buildings, in very good condition. Finally, in desperation, the Auctioneer placed a bid on it himself, worked the bidding up a little (himself), but still no one seemed interested in buying it. It is a fact that the original owner had refused \$300.00 an acre for it in 1918, before the wild days, and here was Mr. Auctioneer and I unable to get a bid of \$75.00 an acre on it.

Had people lost all sense of value? Couldn't they raise as much on that farm as they could 15 years ago, before a real estate boom was heard of, and when that same farm could have been sold for \$200.00 an acre? Sure they could. But yet, they wouldn't bid on it. Why? I'll tell you why.

Because the farmer had come to realize the injustice of the spread between his marketing price and the price the consumer ultimately has to pay. Get me right, I am NOT a bolshevik. It's a fact

that such a condition does exist; a condition that must be met and remedied if agriculture is to be saved. Irregardless of what any newspaper may say about agricultural prosperity, there is no such animal. There hasn't been since 1919; and there will be none until conditions are remedied. I'm not advocating what that remedy shall be. Elimination of SOME middle men would go a long way toward rectifying conditions.

As I view it, under present conditions, the boys holding Real Estate at this time must continue holding it, possibly at a yearly expense to themselves, until such time as general confidence in business is restored. The McNary-Haugen Bill now up for so much discusion, while it may have it's defects, is at least worth a trial. Isn't it true that Legislation has been passed aimed to assist some other line of industry; that such legislation has been found faulty, in some respects, and subsequently corrected, and that the result of such enacted Legislation has proven beneficial to the line of industry it was intended to serve? Isn't it safe to assume, that while the Agricultural bill mentioned above, even tho it may have some minor defects, would be worth a trial, and possibly with a few corrections subsequently, serve the purpose its proponents advocate? In the event it is found unsound, couldn't it be modified, amended or cast from the Statutes entirely?

Without question the Immigration Law has had its effect on Agriculture. For isn't it a fact that practically our entire country was first settled by immigrants; sturdy men and women tilling the soil, establishing happy and prosperous homes, in fact, making this grand country of ours?

Now then, with immigration limited, very few such folks are coming to this land of ours, with the result that thousands and thousands of acres of land in the Great Northwest, land that would make a profitable living, under ordinary circumstances for many an immigrant, lie idle; growing up to weeds, making it that much tougher for the neighboring farmer, who has a hard enough time controlling the weeds on his own farm, say nothing of attempting to control them in adjoining farms. In 1924 President Coolidge said: "It would be well to make immigration of a selective nature." Why not, then, select suitable immigrants for farming purposes, and place them in our great, vast Northwest?

With agriculture remaining in its present state, young America cannot be induced to go farming; cannot be convinced that happy homes are in the country as well as in the cities, and, having heard so much of the terrible conditions obtaining in the agricultural district, hesitate to go farming, and smile when they read of the Back to the Farm Movement. They'd sooner ride an automobile over the boulevards.

As a result, no sturdy young men are available,

and no doubt will continue to be unavailable, unless the Government should see fit to, for a time at least, lift the bars and allow foreigners to enter, and when that time comes, you bankers who have control of considerable real estate will see an active market and a general improvement in conditions generally.

I have but to refer to Canada in this respect. They not only want foreign farmers to enter their country, but grant them financial assistance as well; starting them along the line of making money, and establishing happy and contented homes for themselves, and making of those new citizens, men and women any nation can point to with pride.

The McNary-Haugen Bill previously mentioned declared an Emergency existing and seeks to promote equality between agricultural products and other commodities, an equality that **MUST** be brought about in order to save the Middle West.

While the farmer may be told to cut his production to meet the demand, yet should he comply with such a statement, what would happen in the event a crop failure occurred and no surplus was available. It's not an impossibility that unfavorable weather conditions, insect depredations or other factors might reduce the supply on hand, and wherewith would the demand be met?

Some of its opponents would have you believe it is Class Legislation. That it is economically unsound. That the Government should not be asked to

regulate imports that come in direct competition with the farmers' produce. Why then, has the Government seen fit in the past to pass legislation to aid some other line of industry?

As I view it the Bill is nothing more or less than united action on the part of the producers of a certain commodity, assisted by action of the Government, to protect themselves from foreign competition. You might term it a tariff if you wish. If the Tariff is sound in one instance, why under the sun isn't it so considered in the other?

If steel can be manufactured for sale in this country and sold here above world prices on account of tariff protection, and the surplus of the manufacturer sold in foreign lands at cheaper prices, why cannot agricultural products be handled in the same manner?

For seven years Congress has been worrying along about the Agricultural situation with the result that it isn't in much better condition today than 7 years ago.

When you stop and think that the value of the 1919 agricultural crops of the United States were in excess of \$15,000,000,000.00 and that the value of the entire 1921 agricultural crop was less than \$7,000,000,000.00 you can appreciate what happened to the farmer and what happened to the country banker, who was favored with the farmer's business. And then, in addition, have the 1921 condition remain with us for 7 long years.

When you stop and think that the average farmer's income, as compiled at that time by the U. S. Department of Agriculture, in 1919 was \$1,774.00 and in 1922 was but \$917.00 you can appreciate how much profit the farmer was making. He wasn't making any; the farm was being foreclosed on him. In 1922 in one County in Montana, of which I know a little, 53 per cent of the total improved farm acreage was foreclosed or was in the process of foreclosure.

The United States Department of Justice records indicate that in a few of the West North Central States 213 farmers took bankruptcy in 1920, less than that amount in 1919, and 2005 of 1923. And yet, now and then, someone says the farmer must help himself, that such is his only salvation. You believe me, the farmer is willing to help himself, but by the gods, he can't do it, much as he would like to, and he's got to get some assistance, so why in the name of common sense has legislation aimed to improve his condition, been so long delayed?

Didn't President Coolidge say in 1924: "Occupants of our reclamation projects are in financial difficulties. Relief should be granted by definite authority of the law"?

Now then, the farmer being in the same difficulty, why hasn't he been shown the same consideration? For it is a fact that the farmers in number, many times exceed the number of reclaimed project owners.

Didn't he also say: "Many of the departments in Washington need better housing facilities"? A Bill was introduced calling for the expenditure of \$50,000,000.00 over a period of a few years, in order to improve housing conditions down there, such as the Department of Justice building, the Department of Agriculture building, and others. At that time the boys were all set to improve the housing conditions for the Department of Agriculture, but didn't feel like anything should be done for Agriculture itself. They didn't worry about that, they simply wanted the Department of Agriculture to have a mighty nice marble building—when as a matter of fact Agriculture needed assistance much more. The poor devil that was making possible the office that needed a better housing condition wasn't getting the consideration—he was allowed to plug along as best he could until the handle on his hoe broke and he had to give up the farm.

I've read and re-read the McNary-Haugen Bill and it IS worth a trial.

Some of the opponents of the bill say it is economically unsound to export raw material from a country where facilities exist for converting such raw material into the finished product.

There's no question about that being the truth but—when raw materials are made into the finished product in this country and then, no market exists for the finished product or the ultimate consumer is compelled to pay an exorbitant price, the present

condition must obtain—or on the other hand the surplus shipped to some foreign country, and such price based NOT upon a Liverpool market.

Opponents contend that it places in the hands of the Secretary of Agriculture, and those appointed by him, a tremendous power that might be abused.

I don't believe the Secretary of Agriculture would abuse that power, but let's assume that he does. Couldn't another Senate Investigation be made, such as is at present being conducted in connection with the Teapot Dome Scandal? At least it would give Congress something to pass their time away with. (They enjoy investigations.)

Some opponents of the bill contend Grain Exchanges would be eliminated.

Possibly that might be a very good thing, for I don't believe humankind expects that the very necessities of life should be gambled in.

Other opponents contend that the levelling of prices is a process in two directions, and that to establish the relationship between farm prices and of other commodities, it is necessary not only that farm prices come up, but that other prices come down. This process is and has been going on and will continue to do so to the ultimate benefit of the farmer.

There is a certain amount of logic in that argument, in fact, much logic, but the fact remains, having been proven for the past six years that the re-establishment of that relationship is NOT being

brought about. We're all hoping for it, but it doesn't seem to get here, and since it is not getting here, PASSING the bill, (without a veto of course) seems to be the solution.

Another opponent would tell you it would tend to increase production.

Since the tax will be an ever present argument to all farmers of the evils of growing excessive crops, they would hardly increase production, since it is obvious that the greater the exportable surplus, the higher the tax and the less the net profit.

Still others contend 'Class Legislation'.

Rather, it is a method to remove the stigma of class legislation from the existing tariff structure. The tariff would be applied to all American products as it should, and not to everything excepting the farmers product.

Now and then the point is made that the crisis agriculture has been passing through will result in the elimination of the unfit, those who had no experience in farming and had no capital to begin with. They contend also that the majority are turning from wheat farming and taking up diversified farming instead; that the farmer is using his intelligence, and where that practice is being followed there is no acute suffering, but a reasonable degree of comfort and prosperity.

It is a matter of fact that the Wheat-Farmer has been unheard of in Iowa for years and years, and that no State in the Union follows diversified farm-

ing more than does the Iowa farmer—how then, can that opponent of the bill answer that one and continue in his argument?

The Iowa farmer, as well as every agriculturalist, is fighting for nothing but equality. Isn't it a fact that he is compelled to buy on a restricted market and sell on a competitive market? A market that is made by the surplus of his product. He's compelled to go into competition, as it were, with products raised by the cheapest labor in the world. On account of Government protection other manufacturers can sell here all the market will absorb, at their own price, and dump the balance on the markets of the world.

Even with passage or adoption of the bill the farmer won't be able to fix the price arbitrarily. The selling price is to be determined by the proper relationship with all other things on the index list of prices of the Department of Labor, creating a proper relationship between the results of labor in agriculture and the results of labor in all industries. You'll have to agree, there's nothing unfair about that; neither can it be termed class legislation.

Again, arguments are put forth that the farmer is to blame for his present predicament; that he brought the present condition upon himself by 'stepping out on a limb', by buying new automobiles; by spending money like a drunken sailor when he had it.

I'll grant you all of that, it may be true, but just because it was unfortunate that he did so certainly is

no good reason why he isn't entitled to help at this time. Hasn't many a man fallen, and after mature thought, been aided, with the result that he came to the front again, and now occupies his former standing?

Isn't it a positive fact that the farmer actually wants to stay on the farm? He doesn't want to move to town, for what other line than farming does he know? What other line of business might he enter successfully? For he admits being born and raised on a farm, and hard labor is the extent of his average education.

He did his duty during the War, had the whole family help him; behind him lie years of toil and sacrifice; that little equity he has in his farm represents his years of toil and frugality, an equity he stands a mighty good chance of losing.

He's striving stubbornly to make a living for his family; a living that the average city family wouldn't put up with at all; but a living he has been accustomed to, and is satisfied with. Isn't he fighting grimly against a system of crucifying costs, costs, in some cases, sustained by legal protection? And here he is, getting out at daylight, milking a dozen cows or so, going to breakfast at 5:30 and then into the field for the day, returning from a hard day's labor at seven that night, being compelled to milk the cows again, feed the hogs, and do many other chores around the place, when at eight o'clock or nine he retires to the house to partake of an appetizing meal,

prepared by the good wife, who herself has been busy thruout the entire day.

Yes sir, and that farmer doesn't reckon time for the good wife, for Pete and John, his sons, who might have ben working around the farm all day also. If he stopped to do that; reckon their time at 10 or 15 cents an hour, he'd be sunk. He may be pretty much sunk as it is, without any such reckoning, and unless—aid is forthcoming, he'll continue to suffer—and Stabilization of Prices of Farm Products will be his only salvation.

Yes, at that Beuna Vista County Farm sale, good old Iowa black dirt, was a drug on the market, when some ten years back, and for 50 years prior to that, it was considered one of the best assets of the United States.

Let me add this; In addition to Iowa having the best producing Real Estate in the Union, it has access to the world's markets, an ideal climate and should attract not only the Eastern Capitalist's money, but his presence as well. For hasn't the East a misconception of the State of Iowa? Isn't it a fact if that same Easterner made a trip thru Iowa, at any time during the crop season, his impression of it would be 100 per cent favorable, and he would again interest himself financially in the State and it's people?

The result of the farm sale, the attempted farm sale, what that Mr. Auctineer and I left the place in disgust, he returning to his home in Waterloo, and I driving to Ames, Iowa, to meet with a few members of the Iowa State Highway Commission.

CHAPTER XXVI.

Jackson County had a very hot Good Roads Campaign. Opinion as to the advisability of a bond issue was divided. You see, bonds had so risen in popularity that even the States and Counties took it upon themselves to issue a few, for why shouldn't they? Weren't the public buying bonds, and why couldn't they sell a few also, and improve the Road situation? Drag Iowa out of the mud?

So a bond Campaign was commenced. Antagonism was rife. Bellevue said many harsh things about Maquoketa and Maquoketa retaliated with some still harder, with the result that just shortly before the election, the Commercial Club (now known as the Chamber of Commerce) made a trip to Ames to take the matter up with the Highway Commission, so they might know what to expect. The Committee's spokesman, myself, spent a few hours with the boys; the Committee and I met with them the day following with the result that we were assured of being treated right, following which the committee returned home.

My return (with the old Ford Coupe) to Alden was uneventful. The Garage mechanics had the car pretty well patched up, without any glass however.

I drove it to Bellevue, arriving home in a very nervous condition. I went to work at the bank immediately, when I should have retired to a hospital for a few days at least. The bank needed my attention, and at the bank I was. Oh! yes, the banker's life was a sweet proposition.

This same fall took considerable of my time with the Park Board, of which I was a member. The State Board had previously designated one of our beautiful hills adjoining the town on the South as a State Park, and the local board was doing all in it's power to improve it properly. I had plenty of jobs; Treasurer of the Chamber of Commerce, and a Director as well; Treasurer of the Creamery; Treasurer of the K. C. Home Building Association; Treasurer of the K. C's; Secretary of the Park Board Association; Chairman of the Good Roads Committee; a director of the Golf Club; Guardian of a few minor children; and Guardian of two insane Wards, all of which were almost driving me insane myself, together with being Cashier of the Bank.

Not having much to do, as some folks would assume, I was called to assist here and there; help people iron out their trouble; go into lengthy conference about this or that; spend much of the day in my back room talking matters over with some of the folks of the community, for even in the face of the Gossiper, folks still came to me, giving me the benefit of being of possible assistance to them in more ways than one. Then along toward evening

have one of My Gang tell me of having lost this deposit or that, during the day.

Yes boys, she was a gay life. My iron constitution was beginning to weaken. I didn't seem to have the resistance I had prior to my accident, and I want to add in connection with that, that just a few days ago word came to me of someone having said "He wouldn't be surprised if my auto accident had been intentional and that suicide had been my intent." That'll give you just a general idea of what I had to buck for years. Suicide, say listen, such a thought never entered my mind, and with the happy frame of mind I am in now, it is furthestmost from my thoughts.

The late fall and winter 1927 and 28 saw live stock receipts low; many a deal we anticipated would be cleaned up and out of the way by the first of the year, did not seem to materialize. Money was hard to get. The Fed. PREFERRED not to increase the line, when as a matter of fact, the line was not high. I don't blame them tho'. They were on the job to hold the banker down; to prevent him, if possible, from going out on a limb again, as he did some years back.

With little money coming in, this retired farmer or that calling, and wanting his money; this man or that needing his, when all of the time we knew there could possibly not be such a terrific legitimate demand for money; we discounted additional paper with the Fed. They didn't see fit to comply with

our request; preferring, as they stated, not to increase the line.

Anxious days and nights came; worry was beginning to tell on me; I couldn't sleep; my resistance had about disappeared; I'd been bounced up against the wall but would always bounce back, ready to fight some more; then I'd be bounced again, and again I'd bounce back and fight. There's a limit to all human endurance, and I was fast reaching mine. Fear began to assail me; I wasn't myself, few people knew it, altho' I wouldn't give up. I can truthfully say tho' that I was one banker who didn't resort to this or that kind of shenanigan; who didn't pledge his assets here and there as collateral for funds. The good people who saw fit to remain with us were entitled to protection; we wouldn't show any preference, and the assets of our institution were kept right in there. The O. R. owned was practically clear; we'd not negotiated a loan of a dollar on any of it, in some cases retiring indebtedness already on it at the time title was taken by ourselves; it was held intact. The notes we owned, outside ofcourse of those discounted, were in our possession.

Would I continue our course of orderly liquidation making it possible for us to pay the depositors as they wished to have it, and would the public allow us to do that? These and many like thoughts would flash across my mind for days. No one was taken into my confidence; for wasn't one man worrying

his head off about the situation enough? Why pester other folks with it? Wasn't I used to it, and weren't my shoulders broad? Wasn't I a husky lad and couldn't I stand it alone? I thought I could, and was at least willing to try. But try as I might, I could not get rid of that one thought: "Will the depositors ever let us alone?" Sometimes I'd think they would and again I doubted it.

Every now and then someone would come in and want the cash. CASH, yes, just Cash. A lot of that same cash was being placed in the Refrigerating Plant organized some years previous.

Nightly, I'd retire for home and worry about this depositor and that borrower and worry for both of them. I took a physical examination and was advised of being in a very bad diabetic condition. Here me, 36 years old, diabetic. Urged by good medical authority to get out of the business, or my condition would get worse and it would finally get me. Yet in the face of that, nothing under God's sun would have suited me better, or pleased me more than to save that institution, for my heart and soul was wrapped up in it. But, the Powers that Be dictated otherwise.

While I'd sit and plan, marshalling my faculties, I'd imagine that the job was as difficult or as easy as I thought it to be, yet I couldn't help but feel that the job was almost hopeless.

Still I'd feel that it was easier to accomplish a hard job, with applied energy, than a simple task

because of a disagreeable feature. A job is always more difficult if you hesitate to tackle it. I felt the whole trick was in believing I could do it; take off my coat and buckle in again. I felt that real impossibilities were extremely rare and was prepared to tackle the hard one; the kind that makes you bend your back and test your nerve.

I would feel that the greatest way in the world to win my own self respect was to tackle the job, stiff as it seemed, and stay with it—long after I should have quit. A set-back never whipped a fighter, but only sharpens his faculties; stiffens his backbone.

When you measure a man it isn't how hard he falls, but how gamely he comes back, that counts. Many such thoughts occurred to me; thoughts that would bolster me up; make me get in there and fight, and yet for all of them, the fight was gradually leaving me.

At times, cold as the month of January was, I would walk across the street, look up and down that bleak, cold Mississippi River, and recall another day when I stood on the very spot, admiring the wonders of nature, noting at that time the scenic beauty of the place—feeling that God certainly must have chosen such a site for a town, and now, knowing the financial disasters of the little town the past 8 years, I would wonder whether God, after all, had forgotten about the place. I couldn't help but feel moments of threatened disaster and yet, my

resistance would come to the top. I knew that resistance of water against the propeller made the boat go; that resistance of steel rails made it possible for railroads to operate; that resistance of a roadbed to rubber makes possible the automobile; and yet, it was hard to muster that resistance against almost an impossibility. I would ponder over events of the past; over the fact that folks lost more than a million dollars in wild cat stocks in this community over that period of time; that the failure of one bank in 1922 meant more than a half million more to the community; that the second bank failure meant almost as much to them; that more than \$100,000.00 had been lost in the Piano Factory; that a half million was lost in the Lumber Co. failure. I would try and figure out why the Whispering Campaign, started in 1922 and continued up to this time, did not cease; why folks persisted in dragging their deposits away from our institution; why, in the face of what our institution had been called upon to do, and did creditably, during those past 8 years of financial difficulties, people wouldn't give us credit for accomplishments? Just why wouldn't they? In disgust I'd return to the bank and wish that the Mississippi flowed Pluto water, and that every pusillanimous cipher might imbibe gallons of it. You see, it would have been cheap in that case, and would probably have been used. All that would have been necessary was for the Scandal-monger to go to the waters edge;

carry a can of it home, take two table-spoons every other hour, and no doubt he would have obtained results. Still I don't know. He might be so badly inoculated that several tank loads might be required. After that treatment he might have been inclined to mind his own business.

Right now comes to my mind an incident occurring upon walking out of Church one Sunday. I spoke to a friend of mine, above a whisper of course, whereupon an aged young lady, referred to occasionally as an old maid, said, "My, that's terrible, talking in church, Mr. Schmitt."

"Listen here, old girl," I replied, "it's not half as bad as a lot of the blah, blah some folks do outside of church." And, she got me the first time, too.

Another time another skirt, about the same age, called and asked whether a certain man's check for \$75.00 was good. I evidenced some surprise at the question, whereupon she repeated it again. I looked at her some moments and said, "It seems dam funny you don't know that, you seem to know everything else about this bank." And, you believe me, I said it with plenty of sternness in my voice, and used the same facial expression. I put an obstacle before her mental attitude, without any delicacies thrown in. She went out and sinned NO more.

February came and withdrawals were still in order. I asked my Gang what the 'ell they thought would become of the institution if people continually treated us in that manner. They didn't know, altho

Henry countered with the statement "Lee, we've put up a good fight, let's stick with them, we'll land alright". I couldn't agree with him, much as I would have liked to.

Again I'd take to my back room, trying to figure ways and means, but figure as I might, I just couldn't put up more fight. The fight and pepper, oodles of which I possessed for years, had been taken out of me. I didn't have the resistance nor the sticktoitiveness and yet hoped and prayed that conditions might reverse themselves. They didn't. Hadn't our deposits, a total of almost One Million, Two Hundred Thousand Dollars, been lowered to Five Hundred and Fifty Thousand and could such a condition continue any longer?

The regular monthly meeting of the Board of Directors was held on Tuesday, Feb. 14, this year. My first expression after the President called the meeting to order, was "Well boys, this is the last meeting of this Board of Directors, as I view it". A bomb-shell exploding in the room could not have caused more commotion. Complexions turned various colors; everybody was sad and morose. Couldn't something be done? Yes, I agreed it could. The day was spent in going over the assets of the institution. Again we convened at 7 that evening; the assets were appraised by the Board, whereupon some of the men said it was a dam shame to close this bank, that we could go out and get plenty of cash and keep this bank going.

“Yes” I agreed, “we can but you’ll have to get someone else to run it; I’ve reached the end of my endurance, I just cannot continue. I’m nervous, all shot to pieces and can’t stand the gaff any longer”.

Whereupon I again reviewed with the Board the treatment accorded us the past 5 years, ever since the closing of the other two institutions; of the Campaign of villification that had been in progress; of our inability to cope with the situation, for hadn’t I liquidated fifty or sixty thousand, paid it out; liquidated a like amount, paid it out; liquidated more and more, and paid out again, and what bank could stand up under it?

My two assistants were present at the evening meeting. Little did they surmise its nature until they arrived. We worked until 11 o’clock when a resolution to close the bank was passed.

This Cashier wrote the sign to be placed on the door, and himself placed it there; having the tense feeling possessed by myself, disappear all of a sudden. I thanked God it was over with and retired for my home. That night blessed me with the best night’s sleep I’d had for many a night.

The following morning I sat in retrospection. A feeling came over me that obsessed me with the thought that I had never done a thing that I so hated to do as to close that bank, and yet less than 8 hours earlier I had been glad it was all over. All day I fought with myself, candidly admitted as being the longest day of my life.

Weren't people talking, and didn't they positively have reason to talk now, for wasn't the bank closed, hadn't the purpose of many of scandal-monger been accomplished? Wouldn't many of them run to Maquoketa, the County seat, and inspect the schedule as soon as filed, so their campaign could continue?

I took some consolation in the fact that the most insignificant people are the most apt to sneer at others; they are safe from reprisals and have no hopes of rising in their own esteem; I took consolation in the fact that a smooth sea never made a skilful mariner. I was suffocated and lost, brought about by ostentation and hypocrisy of many of the dear public. The charlatons had been verbose and assumptive; the Pharisee ostentatious on account of being a hypocrit. I felt they were the sin of the devil and knew that the devil was the father of lies.

Many of these thoughts crossed my mind that first day; I became more irritable and nervous.

Some of my good friends called at the house, some of them good depositors of our bank. They did all in their power to console me. I didn't want sympathy and consolation; I hadn't stolen anyone's money; I hadn't misappropriated; I hadn't been a shyster in the banking business; I hadn't taken advantage of anyone in the community; and yet sympathy and consolation made me feel good.

Reports were current that I had skipped out of town; had taken a lot of cash with me, when as

a matter of fact there wasn't much cash around the place; when in truth I was sitting less than 30 feet from the front door of the bank.

You bet, I staid right here in Bellevue; could face any man without fear, and yet for all of that, a feeling such as I will not attempt to explain came over me, and obsessed me thruout the day. The day following I wrote home. Again that feeling came over me, for little did my dear old mother know of the mental strain I was passing thru. I couldn't help but recall the Garden of Gethsemane.

Years ago I read that perseverance is one's duty and that being silent is one's best answer to calumny. I remained silent. Since that date many rumors that were afloat have been retold to me; rumors that bear out my previous contention as to Slandorous Tongues; rumors that in themselves were entirely unfounded, for wasn't I right here in Beautiful Bellevue all of the time? I've been here since too, helping the boys of the department in every way possible, without any thought of compensation; a help that is very much appreciated by the man in charge; without any thought of what the future might hold in store for me, spending part of my time until late into the night, passing on to you, these Memoirs of mine; among which are experiences I sincerely hope do not fall to the lot of many.

During these experiences I have learned that devils are not all confined to hell or hidden by invisibility; that they are rampant on the streets of

every town, seeking whom they may devour. I have learned that society is built upon Trust, and Trust upon Confidence in one another's Integrity, and I hope I shall always possess firmness and virtue to maintain, what I consider the most enviable of all titles, Character and Honesty.

The morning of our closing I called the Department, stuttering the information to them that we failed to open that morning.

And so, EXPERIENCE and GRIEF, gained in my 18 years in the banking business came to a close. As I sit and write these lines tears of sorrow and sadness come to me; tears caused, not by what the future may hold in store for me, but tears caused by the knowledge that out of every bank failure comes sorrow and sadness; sorrow and sadness brought upon many good people of the community; sorrow and sadness caused by infamous tongues; and, happy as I am that it is all over, I cannot but feel a sense of responsibility; a responsibility that I have shouldered gladly and without a whimper; a responsibility that is not nugatory.

Just at this moment, were I to deliver myself to the arbitrament of a special pleader I might be argued into an Atheist; but, I am not so delivering myself. I haven't lost my confidence in Human Kind; I haven't lost my Faith in My Maker; I have

not forsaken the ship, but will stick right with it, as Frank said many years ago.

The world is frail; it is fickle; it is but human to criticise, for hasn't criticism been rampant thruout? A character, one that I valued highly; a character I felt proud of, earned by personal exertion and not by external advantages, amounts to what today?

Character, as you well know, isn't a necessary appendage of birth, wealth or station; but the result of one's own endeavors—the fruit and reward of principle, manifested in the course of honorable action. Censure, used in tearing down such Character, is nothing but a personal thought of our superior wisdom, and is too often evidence of the conceit that would magnify one's self, or the malignity that would detract from others.

If I have done any Deed worthy of Remembrance, that deed will be my monument. If not, no monument can preserve my memory.

Shortly, I'll leave the little community with which I have been associated; a community I have always loved; against which I hold no ill-will; a community that shall always be near and dear to me; one that I shall many, many times refer to with a sad heart. Memories shall return; memories of this battle and that, with the odds many times against me; some-

times the elements, and at times. I would almost assume, even the Gods. I am preparing to go forth; fight another battle in an attempt to recover and recoup, and in the years to come I hope and pray my Maker shall hold better things in store for me.

THE END.

(TO THE READER)

Additional copies of this book may be obtained direct from the author only.

If you feel, after having read the book, that you have gained any knowledge or information from reading it, or that it contains any worth-while facts or thoughts, PLEASE so write me.

It is my intention to commercialize it, as you can assume, and a letter from you will assist me greatly.

Thank you.

Sincerely yours,

Leo F. Schmitt, Author.

Bellevue, Iowa.



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